

Exhibit A-Attachment I Scope of Work-Takeover

The use of headings of titles throughout this exhibit is for convenience only and shall not be used to interpret or govern the meaning of any specific term, function, or activity.

Section No.	Section Title	Page
1.0	Takeover Requirements	1
1.1	Takeover Considerations	1
1.2	Contractor Transition Responsibilities	3
1.3	Takeover Schedule	4
1.3.1	Takeover Work Schedule	12
1.4	Project Management	14
1.4.1	Update Takeover Work Schedule	14
1.4.2	Submit Gantt Chart of Takeover Work Schedule	14
1.4.3	Provide Project Control and Reporting System Reports	15
1.4.4	Assemble Management Team	17
1.4.5	Training Plan	18
1.4.6	Organizational and Personnel Acquisition Plan	20
1.4.6.1	Schedule Execution and Reporting	22
1.4.7	Plan for Assumption of CD-MMIS Operations	23
1.4.8	Administrative Functions	25
1.4.9	Takeover Cost Plan	26
1.5	Facilities Acquisition and Installation	26
1.5.1	Facilities Acquisition and Installation Plan	26
1.5.2	Plan Execution	28
1.5.2.1	Temporary Facility	28
1.5.2.2	Permanent Sacramento Facility	28
1.5.2.3	Computer Center	28
1.5.3	Hardware and Equipment Acquisition and Installation Plan	28
1.5.3.1	Installation Plan Execution	30
1.6	Software Installation	31
1.6.1	Software Installation Plan	31
1.6.2	Software Installation Plan Execution	33
1.7	File Installation	34
1.7.1	File Installation Plan	34
1.7.2	Plan Execution	35
1.7.2.1	Plan Execution During Assumption	36
1.8	Provider Services	37
1.8.1	Provider Services Plan	37
1.8.2	Plan Execution	37
1.8.2.1	Contractor Responsibilities	38
1.8.2.2	Provider Master File (PMF)	38
1.8.2.3	Provider Printing and Publications	39
1.8.2.3.1	CD-MMIS Forms	39

Section No.	Section Title	Page
1.9	Beneficiary Services Operations	40
1.9.1	Beneficiary Services Plan	40
1.9.2	Plan Execution	41
1.9.2.1	Beneficiary Inquiries/Grievances/Complaints	41
1.10	Procedure Development and Installation of Procedures	41
1.10.1	Manual Procedures Installation Plan	41
1.10.1.1	Reports Distribution List	42
1.10.1.2	Report Users Manuals	42
1.10.1.3	CRT Users Manual	43
1.10.1.4	Document Management and Processing Team Manuals	44
1.10.1.5	Manuals Distribution List	44
1.10.1.6	Clinical Screening Dentist Manual	44
1.10.1.7	Provider Services Manual	44
1.10.2	Security and Confidentiality	45
1.10.2.1	Security and Confidentiality Plan	45
1.10.2.2	Plan Execution	45
1.10.3	Quality Management Plan	46
1.10.3.1	Quality Assurance Standards Procedures Manual	46
1.10.3.2	Problem Correction Tracking Report	46
1.10.4	Department Access and Availability-Automated Methods and Procedures	48
1.10.5	Systems Group Organization and Procedures	48
1.10.6	Records Retention Procedures Plan	49
1.10.6.1	Other Records Retention Responsibilities	50
1.10.7	Document Management	50
1.10.7.1	Contractor Responsibilities	51
1.10.7.1.2	Statistical Data	52
1.10.7.1.3	Reporting Requirements	53
1.10.8	Expert Witness	54
1.10.8.1	Expert Witness Plan	54
1.10.8.2	Manual Execution	54
1.10.9	Financial Management	55
1.10.10	Operations Billing Reports	56
1.10.10.1	General Operations Billing Reports	56
1.10.10.2	Telephone Service Center Billing Reports	56
1.10.11	Other Administrative Procedures	56
1.10.12	Online Data Dictionary	57
1.11	System Test	57
1.11.1	System Test Plan	57
1.11.1.1	Plan Execution	58
1.11.1.2	Department System Testing Responsibilities	61
1.12	Acceptance Testing	61

Section No.	Section Title	Page
1.12.1	Acceptance Test Support Plan	61
1.12.2	General Responsibilities	62
1.12.2.1	Department Responsibilities	62
1.12.2.2	Contractor Responsibilities	63
1.12.3	Acceptance Testing Tasks	64
1.12.3.1	Department Tasks	64
1.12.3.2	Contractor Tasks	64
1.12.4	Acceptance Test Structure	66
1.12.5	Acceptance Test Categories	67
1.12.6	Selected Acceptance Tests	69
1.12.7	Acceptance Test Evaluation Response	73
1.12.8	Acceptance Decisions	74
1.13	Assumption of CD-MMIS Operations	74
1.13.1	Assumption of CD-MMIS	75
1.13.2	Overlapping Processing Timeframes	75
1.13.3	Startup of TAR Processing	77
1.13.3.1	Contractor Responsibilities	78
1.14	Two-Way File Transfer	80
1.15	File Maintenance	80
1.16	Assumption of Claims Processing	81
1.16.1	Duplicate Payment Procedures	84
1.16.2	Provider Check Processing	85
1.16.3	Additional Contractor Responsibilities	86
1.16.4	Transfer of Remaining CD-MMIS Responsibilities	87
1.17	Takeover Completion	87
Exhibit 1-1	Weekly Deliverable Status (WDS) Report	89

1.0 TAKEOVER REQUIREMENTS

Proposers are required to bid the Takeover of the current California Dental Medicaid Management Information System (CD-MMIS) according to the requirements of this contract. (CD-MMIS is defined in Exhibit A- Attachment II, Operations).

Throughout Takeover and the entire contract, all System Design Documentation shall be in the format specified for the Systems Group (SG) phases as described in Exhibit A-Attachment III, Change Requirements and Exhibit A-Attachment II, Operations, Data Processing and Documentation Responsibilities section. The Department will not accept documentation methodology in any other format, unless another form of documentation is determined to be in the best interest of the Department.

1.1 TAKEOVER CONSIDERATIONS

The Department requires an orderly Takeover that is as transparent as possible to providers, beneficiaries, and CD-MMIS users.

The Contractor shall take all actions required to install the system and prepare for the Operations Period including the identification and rapid resolution of Takeover problems.

The major considerations during Takeover are as follows:

- 1) To enhance the transfer process, the Contractor may propose critical changes to the automated system to be made during Takeover. In proposing any changes to the automated system, the Contractor shall provide documentation that the proposed change is critical, minimizes confusion, will not impact the ability of the Department to test the system or to continue normal operations, and minimizes the possibility of untimely or incorrect payments to providers or untimely or incorrect reports to the Department. All changes shall be approved by the Department prior to development and implementation and shall be completely described by the Contractor in documents provided in SG phase deliverables, and through the provision of updated system design documentation and user manuals.

The term “assumption,” (e.g., the assumption of CD-MMIS Operations) as used throughout this contract and other FI contract documents, refers to the Contractor’s assumption of claims and TAR processing (e.g., the assumption of CD-MMIS Operations.)

- 2) The CD-MMIS includes a set of procedure manuals associated with the operation of the claims processing system, as well as general operations under the contract. During Takeover, the Department will require the Contractor to review all manuals, and update those manuals

and/or procedures that are new, unique to the Contractor, and have not been updated by the prior Contractor. To clarify, during Takeover, the Contractor may propose changes to these procedures to reflect the unique aspects of its Operation necessary to allow the Contractor to meet contract requirements. All proposed changes shall be as transparent as possible to providers, beneficiaries, and system users, ensure compliance with program policy, and meet all contract requirements. All changes require approval by the Department prior to development and implementation and shall be completely described by the Contractor in the updated document pages provided in the appropriate procedure manuals.

The Department's efforts will be toward minimizing changes to the application programs to be installed during Takeover prior to the assumption of CD-MMIS Operations. However, the programs are dynamic and it will not be possible or desirable to freeze changes to the CD-MMIS programs for a given time period. Therefore, the Contractor may be responsible for implementing changes during Takeover that require immediate implementation by the Department (if, for example, the change is legislatively mandated or significantly improves the administration of the program).

These application program changes will be accomplished through an early and partial staffing of the SG. Prior to the assumption of CD-MMIS Operations, which is scheduled to commence the first (1st) day of month ten (10) after the contract effective date, the Contractor shall assume responsibility for performing table updates to reflect routine price changes or changes in program policy and for updating all other support files and programs.

- 3) Due to the fact that the Medi-Cal Dental Program is constantly changing, the CD-MMIS to be installed during Takeover may differ, based upon Change Orders, Dental Operating Instruction Letters (DOIL), System Development Notices (SDN) and other changes, throughout the procurement and Takeover process. These changes will be reflected in replacement CD-MMIS software documentation in the Office of Medi-Cal Procurement Data Library and, once Takeover commences, in updates or replacements to the CD-MMIS software provided to the Contractor.

The Contractor shall take over the system as modified and accept, test, and install all the previous contractor modifications. These modifications will be provided to the Contractor throughout Takeover until the assumption of CD-MMIS Operations, which is scheduled to begin the first (1st) day of month ten (10) after contract effective date. On assumption of CD-MMIS Operations, the Contractor shall be responsible for making all changes required for its operation of the CD-MMIS.

- 4) The Contractor shall employ quality management measures throughout the Takeover Period (as well as for the life of the contract). These quality management measures shall include, but are not limited to:
 - a) Supervisory and management review to ensure contract compliance and timely performance of Contractor responsibilities;
 - b) Contractor assurance that deliverables are provided to the Department in accordance with contractual schedules;
 - c) Contractor monitoring of milestones and Takeover Work Schedule to ensure that all activities are completed in accordance with contract provisions;
 - d) Ensuring completeness and accuracy of deliverables at the time of submission to the Department;
 - e) Identification of situations, occurrences, and deficiencies where schedules and accuracy standards are not met by the Contractor; reporting those problems, deficiencies, and proposed solutions to the Department on a weekly basis; and monitoring correction of the problems and deficiencies in accordance with directions and time frames provided by the Department; and
 - f) Allocate an adequate number of trained and qualified staff to perform Quality Management (QM) activities to meet the time frames specified. Quality Management reports submitted to the Department shall be included in the Contractor's Weekly Deliverable Status (WDS) Report as described in the Progress Reporting section.
- 5) The Contractor is required to employ adequate staff to complete all required deliverables described in Takeover by required due dates. To the extent that any staff billed under the Hourly Reimbursement Group are needed to complete a required deliverable, the cost for this staff shall be included in the Takeover Bid Price and shall **not** be reimbursed under Hourly Reimbursed Group. Staff billed under Hourly Reimbursed Group shall only be reimbursed for functions as described in Exhibit A- Attachment II, Operations.
- 6) The Contractor shall not implement any Additional Contractual Services (ACS) during the Takeover phase.

1.2 CONTRACTOR TRANSITION RESPONSIBILITIES

The requirements discussed in this section are listed with completion dates in the Takeover Schedule section. This section provides the outline for plans

the Contractor is required to either update or originally submit during Takeover.

When an individual plan is updated during Takeover and changes approved by the Department are made to the scheduled tasks, the Contractor shall ensure that those deliverables, milestones, and Department approvals become a part of the Takeover Work Schedule for Contractor payment. In addition, the Contractor shall ensure that these items are incorporated into the Weekly Deliverable Status (WDS) Report. If the plan is being submitted for the first time during Takeover, the schedule of tasks shall reflect what is in the Takeover Work Schedule. Any changes or modifications shall require prior written approval from the Department. If approved, the changes shall be incorporated into the WDS Report within one (1) week of approval.

1.3 TAKEOVER SCHEDULE

The following is the overall schedule for Takeover by major milestone/deliverable and deliverable due date. The Contracting Officer must approve delivery of any deliverable earlier or later than required in this schedule.

The Department has ten (10) State workdays to review each deliverable and milestone after its submission by the Contractor. For each day the Contractor is late in submitting specific deliverable as required below, the Department will be permitted two (2) additional State workdays to review the deliverable. The Contractor shall allow for these turnaround times in its Takeover Work Plan for implementing and/or performing required Takeover activities, and include a Department approval for each deliverable based upon the ten (10) State workdays review period. Plans shall be established for making Department required revisions or corrections.

Unless otherwise specified, all completion dates are from contract effective date.

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
PROJECT MANAGEMENT		
Update and Submit Updated Takeover Work Schedule	2 Weeks After Contract Effective Date	Takeover, 1.4.1
Submit Gantt Chart of Takeover Work Schedule	2 Weeks After Contract Effective Date	Takeover, 1.4.2
Submit Project Control and Reporting System Reports	2 Weeks After Contract Effective Date And Weekly Thereafter	Takeover, 1.4.3

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Assemble Management Team	Contract Effective Date	Takeover, 1.4.4
Designate Contractor Representative	Contract Effective Date	Takeover, 1.4.4
Submit Names and Resumes of Management Team Members	Contract Effective Date	Takeover, 1.4.4
Designate Takeover Manager	Contract Effective Date	Takeover, 1.4.4
Submit CD-MMIS Training Plan	2 Weeks After Contract Effective Date	Takeover, 1.4.5
Submit CD-MMIS Training Progress Report	2 Weeks After Training Begins and Every Other Week Thereafter	Takeover, 1.4.5
Submit Comprehensive Training Manual for On-going Operations Training	1 st Day of Month 10	Takeover, 1.4.5
Update Organizational Structure and Personnel Acquisition Plan	2 Weeks After Contract Effective Date and 5 Days Prior to Any Proposed Change(s) Thereafter	Takeover, 1.4.6
Personnel Hired	During Takeover	Takeover, 1.4.6.1
Submit Hiring Progress Report	2 Weeks After Contract Effective Date and bi-weekly thereafter	Takeover, 1.4.6.1(3)
Submit Plan for Assumption of CD-MMIS Operations	1 Month After Contract Effective Date	Takeover, 1.4.7
ADMINISTRATIVE FUNCTIONS		
a. Submit Ownership and Control Information Required by 42CFR, Section 455.104	Prior to Contract Effective Date	Exhibit E - Additional Provisions, 39
b. Submit Proof of Current Knox-Keene Licensure or Application For Knox-Keene License	Prior to Contract Execution	Exhibit E - Additional Provisions, 17
c. Designate Contractor Representative	Prior to Contract Execution	Exhibit E - Additional Provisions, 7C
d. Submit Request for Approval of Required Insurance and/or Bonding by Other Than Third Party Carrier	By Contract Effective Date	Exhibit E - Additional Provisions, 31
e. Submit Proof of Insurance and Bonding	Contract Effective Date	Exhibit E - Additional Provisions, 31
f. Submit Conflict of Interest	2 Weeks After Contract	Exhibit E - Additional

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Statement	Effective Date	Provisions, 39
g. Submit Letter of Credit	2 Weeks After Contract Effective Date	Exhibit E - Additional Provisions, 34
h. Submit 40 Copies of Updated Technical Proposal	2 Weeks After Contract Approval by Department of General Services	Exhibit E - Additional Provisions, 14
i. Submit Proof of Knox-Keene Licensure	First day of Claims Processing	Exhibit E - Additional Provisions, 17
j. Submit Quality of Care Availability Plan	Same Time Documentation Must Be Available to Department of Managed Health Care; or, if Already Knox-Keene Licensed, 7 Months From Contract Effective Date	Exhibit A - Attachment II, S/URS 7.4.9
k. Update Conflict of Interest Statement	First Day of Month Ten and Yearly Thereafter	Exhibit E - Additional Provisions, 39
Takeover Cost Plan	2 Weeks After Contract Effective Date	Takeover, 1.4.9
Submit Updated Facilities Acquisition Plan	3 Weeks After Contract Effective Date	Takeover, 1.5.1
Provide Temporary Facility for State Takeover and Acceptance Test Staff	2 Weeks After Contract Effective Date	Takeover, 1.5.2.1
Space for Full State Staff Shall Be Made Available	7 Months And 15 Days After Contract Effective Date	Takeover, 1.5.2.1
Obtain Permanent Facility and Be Completely Operable	7 Months And 15 Days After Contract Effective Date	Takeover, 1.5.2.2
Submit Hardware and Equipment Acquisition and Installation Plan	1 Month After Contract Effective Date	Takeover, 1.5.3
Install System Test Equipment	2 Months After Contract Effective Date	Takeover, 1.5.3.1
Install Acceptance Test Equipment	3 Months After Contract Effective Date	Takeover, 1.5.3.1
Install All Department Non-Mainframe Equipment (Hardware)	7 Months 15 Days After Contract Effective Date	Takeover, 1.5.3.1
Install Contractor Equipment	7 Months 15 Days After	Takeover, 1.5.3.1

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
	Contract Effective Date	
Obtain and Install All Required Line Connectivity (HHSDC)	2 Months After Contract Effective Date	Takeover, 1.5.3.1
Submit Software Installation Plan	1 Month After Contract Effective Date	Takeover, 1.6.1
Install System Software	2 Months After Contract Effective Date	Takeover, 1.6.2
Install CD-MMIS In Its Own Facility	2 Months After Contract Effective Date	Takeover, 1.6.2
Accept and Install Non-Mainframe Systems	2 Months After Contract Effective Date	Takeover, 1.6.2
Obtain, Install Additional Applications Software	2 Months After Contract Effective Date	Takeover, 1.6.2
Submit File Installation Plan	5 Weeks After Contract Effective Date	Takeover, 1.7.1
Install Provider Master File (PMF)	1 Month Prior to Startup of TAR Processing	Takeover, 1.7.2
Install Fiscal Intermediary Access Medi-Cal Eligibility (FAME)	2 Months After Contract Effective Date	Takeover, 1.7.2
Install History File	1 Month Prior to Startup of TAR Processing	Takeover, 1.7.2
Maintain History File	Startup of TAR Processing	Takeover, 1.7.2
Accept and Install S/URS Files	1 Month Prior to Assumption of Claims Processing	Takeover, 1.7.2
Accept and Install CD-MMIS Tables File	1 Month Prior to TAR Processing	Takeover, 1.7.2
Accept and Install Edit and Audit Criteria File	1 Month Prior to TAR Processing	Takeover, 1.7.2
Accept and Install Procedure and Pricing File and all Support Files	1 Month Prior to TAR Processing	Takeover, 1.7.2
Accept and Install Records of all TARs Authorized by the Prior Contractor	1 Day Prior to Startup of TAR Processing	Takeover, 1.7.2
Install Procedure Master File From Prior Contractor	1 Month Prior to Startup of TAR Processing	Takeover, 1.7.2
Submit Provider Services Plan	1 Month After Contract Effective Date	Takeover, 1.8.1
Provider Services Shall Be	Startup of TAR	Takeover, 1.8.2.1

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Adequately Staffed to Meet RFP Requirements	Processing	
Ensure Sufficient Toll-Free Telephone Operations Staff are in Place	1 Month Prior to Startup of TAR Processing	Takeover, 1.8.2.1
Ensure Provider and Beneficiary Telecommunication Systems and Equipment are Installed and Fully Operational	1 Month Prior to Startup of TAR Processing	Takeover, 1.8.2.1
Submit Revised Version of Provider Desk Reference	3 Months After Contract Effective Date	Takeover, 1.8.2.1
Ensure Dental Outreach in Rural Counties is Operational	Startup of TAR Processing	Takeover, 1.8.2.1
Ensure Provider Services is Fully Staffed and Operational	Startup of Claims Processing	Takeover, 1.8.2.1
Update PMF Transactions From Prior Contractor	Startup of Claims Processing	Takeover, 1.8.2.2
Obtain CD-MMIS Forms Subcontractor	4 Months After Contract Effective Date	Takeover, 1.8.2.3.1
Submit Proof of Supply of Forms	5 Months After Contract Effective Date	Takeover, 1.8.2.3.1
Mail Forms to Providers	1 Month Prior to TAR Processing	Takeover, 1.8.2.3.1
Submit Beneficiary Services Plan	2 Weeks After Contract Effective Date	Takeover, 1.9.1
Ensure Beneficiary Services are Adequately Staffed and Operational	Startup of TAR Processing	Takeover, 1.9.2
PROCEDURES DEVELOPMENT		
Submit CD-MMIS Manual Procedures Installation Plan	1 Month After Contract Effective Date	Takeover, 1.10.1
Install All CD-MMIS Manual Procedures	5 Months After Contract Effective Date	Takeover, 1.10.1
Submit Reports Distribution List	4 Months After Contract Effective Date	Takeover, 1.10.1.1
Install Department Approved Reports Distribution List	5 Months After Contract Effective Date	Takeover, 1.10.1.1
Submit Report Users Manuals	3 Months After Contract Effective Date	Takeover, 1.10.1.2
Install Department Approved	4 Months After Contract	Takeover, 1.10.1.2

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Report Users Manuals	Effective Date	
Submit CRT Users Manual	3 Months After Contract Effective Date	Takeover, 1.10.1.3
Install Department Approved CRT Users Manual	4 Months After Contract Effective Date	Takeover, 1.10.1.3
Submit Updated Document Management and Processing Team Manuals	5 Months After Contract Effective Date	Takeover, 1.10.1.4
Install Department Approved Document Management and Processing Team Manuals	6 Months After Contract Effective Date	Takeover, 1.10.1.4
Submit Revised Manuals Distribution List	3 Months After Contract Effective Date	Takeover, 1.10.1.5
Install Revised Manuals Distribution List	4 Months After Contract Effective Date	Takeover, 1.10.1.5
Submit Updated Clinical Screening Dentist Manual	3 Months After Contract Effective Date	Takeover, 1.10.1.6
Install Department Approved Clinical Screening Dentist Manual	4 Months After Contract Effective Date	Takeover, 1.10.1.6
Submit Provider Services Manual	4 Months After Contract Effective Date	Takeover, 1.10.1.7
Install Department Approved Provider Services Manual	5 Months After Contract Effective Date	Takeover, 1.10.1.7
Submit Security and Confidentiality Plan	On Contract Effective Date	Takeover, 1.10.2.1
Implement Security and Confidentiality Plan	2 Weeks After Contract Effective Date	Takeover, 1.10.2.2
Submit Updated Quality Management Plan	2 Months After Contract Effective Date	Takeover, 1.10.3
Submit Quality Assurance Standards Procedures Manual	5 Months After Contract Effective Date	Takeover, 1.10.3.1
Install Department Approved Quality Assurance Standards Procedures Manual	7 Months and 15 Days After Contract Effective Date	Takeover, 1.10.3.1
Develop and Submit Problem Correction Tracking Report	3 Months After Contract Effective Date	Takeover, 1.10.3.2
Submit Automated Methods and Procedures Plan	3 Months After Contract Effective Date	Takeover, 1.10.4

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Install Access and Availability to the Automated Methods and Procedures Plan	5 Months After Contract Effective Date	Takeover, 1.10.4
Submit Systems Group Organization Charts and Procedures Manual	3 Months After Contract Effective Date	Takeover, 1.10.5
Start Systems Group	1 Week Prior to Startup of TAR Processing	Takeover, 1.10.5
Develop and Submit Systems Group Tracking Reports	3 Months After Contract Effective Date	Takeover, 1.10.5
Submit Records Retention Procedures Plan	2 Months After Contract Effective Date	Takeover, 1.10.6
Implement Records Retention Responsibilities	7 Months 15 Days After Contract Effective Date	Takeover, 1.10.6.1
Submit Copy of Master Index	14 Months After Contract Effective Date	Takeover, 1.10.6.1
Submit Copy of Records Retention Procedures Manual	4 Months After Contract Effective Date	Takeover, 1.10.6.1
Develop and Submit Records/Files Summary	11 Months After Contract Effective Date	Takeover, 1.10.6.1
Implement Document Management System	Operational First Day of TAR Processing	Takeover, 1.10.7.1
Submit Expert Witness Plan	3 Months After Contract Effective Date	Takeover, 1.10.8.1
Implement Expert Witness Plan	1 Week Prior to TAR Processing	Takeover, 1.10.8.2
Submit Financial Management Manual	3 Months After Contract Effective Date	Takeover, 1.10.9
Submit Accounting Procedures	3 Months After Contract Effective Date	Takeover, 1.10.9
Submit Cost Reimbursement Plan	3 Months After Contract Effective Date	Takeover, 1.10.9
Submit Updated Estimated Expenses and Actual Expenses Reports	3 Months After Contract Effective Date	Takeover, 1.10.9
Submit General Billing Report Format	4 Months After Contract Effective Date	Takeover, 1.10.10.1
Install General Billing Reports for State Acceptance Testing	6 Months After Contract Effective Date	Takeover, 1.10.10.1
Submit Other Administrative	During Takeover	Takeover, 1.10.11

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Procedures		
Submit Online Data Dictionary Users Guide	4 Months After Contract Effective Date	Takeover, 1.10.12
Submit Updated System Test Plan	1 Month After Contract Effective Date	Takeover, 1.11.1
Complete Systems Testing	4 Months After Takeover	Takeover, 1.11.1.1
Certify System Preparedness	4 Months 15 Days After Takeover	Takeover, 1.11.1.1
Contractor Submits Acceptance Test Support Plan	5 Months After Contract Effective Date	Takeover, 1.12.1
Department Submits Acceptance Test Support Plan	4 Months and 15 Days After Contract Effective Date	Takeover, 1.12.1
Department Acceptance Testing Begins	5 Months 15 Days After Contract Effective Date	Takeover, 1.12.2
Acceptance Decisions	7 Months 15 Days After Contract Effective Date	Takeover, 1.12.8
New Contractor Begins Processing TARS	7 Months 15 Days After Contract Effective Date	Takeover, 1.13.3
Prior Contractor Ceases processing TARS	8 Months 11 Days After Contract Effective Date	Takeover, 1.13.3
Submit Overlapping Services Report Duplicate Authorizations Format	10 Weeks From Contract Effective Date	Takeover, 1.13.3.1
Produce Overlapping Services Report	Monthly, After the Startup of TAR Processing and Through Month 16	Takeover, 1.13.3.1
Implement Clinical Screening Requirements	Startup of TAR Processing	Takeover, 1.13.3.1
Process TARS Requiring Clinical Screening Received By Prior Contractor	1 st Monday After Startup of TAR Processing	Takeover, 1.13.3.1
Establish New P.O. Boxes and Toll-Free Telephone Numbers	1 Month Prior to TAR Processing	Takeover, 1.13.3.1
Produce Duplicate Authorization Report	7 Months 15 Days After Contract Effective Date	Takeover, 1.13.3.1
Test Two-Way File Transfer	2 and One-Half Months Prior to Startup of TAR Processing	Takeover, 1.14
Implement Two-Way File	7 Month 15 Days After	Takeover, 1.14

Milestone/Deliverable	Deliverable Due Date	RFP/Contract Reference
Transfer Process	Contract Effective Date	
Process All Claims/NOAs Regardless of Date of Service	16 Months After Contract Effective Date	Takeover, 1.16
Submit Duplicate Payment Report Format	6 Months After Contract Effective Date	Takeover, 1.16.1
Produce a Weekly Report Which Identifies Each Duplicate Payment	Beginning With 1 st Checkwrite After Assumption of Claims Processing Continuing Through Month 16	Takeover, 1.16.1
Create Monthly Duplicate Payment Recovery Report	6 Months After Contract Effective Date	Takeover, 1.16.1
Produce Duplicate Payment Recovery Report	Monthly, After the Startup of Claims Processing and Through Month 16	Takeover, 1.16.1
Submit Prior Contractor Check Report Format	6 Months After Contract Effective Date	Takeover, 1.16.2
Produce Prior Contractor Check Report	Monthly, After the Startup of Claims Processing and Through Month 16	Takeover, 1.16.2
Design Interim Payment Process Procedures	5 Months After Contract Effective Date	Takeover, 1.16.3
Test Interim Payment Process Procedures	6 Months After Contract Effective Date	Takeover, 1.16.3
Install Interim Payment Process Procedures	Startup of Claims Processing	Takeover, 1.16.3
ADDITIONAL CONTRACTOR RESPONSIBILITIES		
S/URS Support Files and Produce Reports	Startup of Claims Processing	Takeover, 1.16.3
Transfer of Remaining CD-MMIS Responsibilities	5 th Day of Month 16	Takeover, 1.16.4

1.3.1 TAKEOVER WORK SCHEDULE

The objective of the Takeover Work Schedule is to specify, in detail, the Contractor's activities for the duration of Takeover, including the Contractor's tasks and activities for assumption of the CD-MMIS. The Takeover deliverables, milestones and Department approvals identified here

correspond with the deliverables in Turnover and Runout Requirements, Exhibit A-Attachment IV, and with the activities on which payment percentages will be based as set forth in Special Payment Provisions, Exhibit B-Attachment I.

Using an alphanumeric Work Breakdown Structure (WBS) code (not to exceed ten (10) characters), all work performed during Takeover shall be subdivided as follows:

- 1) Task - Major activities as shown in Takeover Schedule.
- 2) Major Subtask- Logical grouping of subtasks.
- 3) Subtasks- Groups of work packages required to complete a task; each subtask shall consist of work packages and shall result in a defined deliverable or milestone.
- 4) Work Package - The smallest work effort or work increment.

A work package should be defined by:

- a) A description;
 - b) An identifiable product;
 - c) The skill/resource categories;
 - d) The estimated resource units by skill/resource category;
 - e) Overall duration of the activity;
 - f) As a general rule, total resource unit estimates by skill category for a work package should not exceed one hundred sixty (160) staff hours. The Department may require an explanation for any exceptions, and may deny such exception(s);
 - g) The total duration of the work package activity should not exceed four (4) weeks, as a general rule. The Department may require an explanation for any exception, and may deny such exception(s).
- 5) Contractually defined milestones, deliverables and Department approvals shall be identified. As used in this Exhibit A-Attachment I, "milestone" and "deliverable" have the following meanings:
 - a) Milestones are important or key events to be realized or achieved by the Contractor during the course of Takeover activities. Milestones are acknowledged benchmarks of Contractor progress and achievement during Takeover. They may be transparent (e.g., installation of files) or visible (e.g., occupying a facility).

Milestones are acknowledged by the Contractor to the Department via formal written letter stating the milestone(s) achieved and the date(s) of accomplishment. Formal written acknowledgement by the Contractor to the Department is required for payment purposes.

- b) Deliverables are specific products the Contractor is required to submit to the Department for review and approval upon completion of a task or subtask. When deliverables are intangible, documentation shall be provided demonstrating completion. In addition to deliverables and tasks listed on the Takeover Work Schedule, all additional deliverables and milestones identified by the Department or the Contractor in the Takeover Work Schedule are hereby incorporated into the Takeover Work Schedule by reference and are required for review and approval by the Department.

1.4 PROJECT MANAGEMENT

1.4.1 UPDATE TAKEOVER WORK SCHEDULE

Two (2) weeks after contract effective date, the Contractor shall update and submit to the Department for review and approval, the Takeover Work Schedule included in its Technical Proposal.

1.4.2 SUBMIT GANTT CHART OF TAKEOVER WORK SCHEDULE

A Gantt (or equivalent) Chart shall be included in the updated Takeover Work Schedule that depicts all Takeover activities. This Gantt (or equivalent) Chart shall only be submitted two (2) weeks after contract effective date (it shall NOT be included in the technical proposal) and shall meet the following requirements:

- 1) It shall be based on Precedence Diagramming Methods graphically illustrating dependencies and precedence relationships between/among all Takeover activities;
- 2) The level of detail shall be at work package level;
- 3) The Gantt (or equivalent) Chart shall be time-based;
- 4) The critical path shall be identified; and
- 5) The interrelationship of all activities shall be identified on the chart or in a separate report defining the precedence relationships.

1.4.3 PROVIDE PROJECT CONTROL AND REPORTING SYSTEM REPORTS

The Contractor shall utilize a Project Control and Reporting System to advise Department and Contractor management of progress in meeting goals and schedules contained in the Takeover Work Schedule.

This reporting mechanism shall be initiated two (2) weeks after contract effective date and applied weekly thereafter. The Project Control and Reporting System shall consist of the following four (4) elements:

- 1) Weekly progress meetings attended by the Contractor and the Department. These meetings may include walkthroughs of selected parts of the Contractor's facility, as needed by Department staff.
- 2) Weekly written progress reports, provided by the Contractor to the Department two (2) State workdays before each subsequent weekly meeting, and containing items to be discussed at each meeting. The reports shall include the following items:
 - a) Attendees scheduled for upcoming meeting;
 - b) Progress of each task/activity, as applicable for that period of time;
 - c) Topics of general discussion;
 - d) Action items and decisions made at the previous weekly meeting;
 - e) Problem(s) encountered, resolution(s) proposed for each problem, projected completion date of problem resolution(s), current/actual status of problem resolution(s), and Department and Contractor contact person(s) and phone number(s);
 - f) Planned activities for the next two (2) reporting periods;
 - g) Status of contractually defined milestones, walkthroughs, and deliverables scheduled in the Takeover Work Schedule;
 - h) A report of all deliverables, milestones, or Department approvals that are behind schedule;
 - i) As part of the weekly progress report the Quality Management Unit shall verify that the Takeover tasks are being installed and implemented within the required time frames and in accordance with contract provisions (see Exhibit A-Attachment II, Operations). Items of non-compliance shall be specifically noted and corrective action plans for resolution of the problems shall be submitted as a part of the report;

- j) A listing of missing files/programs that should have been transferred from the prior Contractor during Takeover and an adjunct listing of inaccurate files/programs transferred from the prior contractor during Takeover; and
- k) Any other information deemed necessary by the Contractor or required by the Contracting Officer.

In the event the Department disagrees with the conclusions provided in the Contractor's weekly progress report, the Contracting Officer will provide written notice of the Department's findings and conclusions to the Contractor for corrective action in the time periods set forth by the Contracting Officer.

- 3) Weekly Deliverable Status (WDS) Report. This report shall include deliverables, walkthroughs, milestones, and Department approvals, and shall be used by the Contractor and the Department in gauging or measuring the Contractor's progress during Takeover, especially as compared to the Takeover Work Schedule; for tracking the provision to the Department of Takeover deliverables such as procedure manuals, study reports, and training guides; and to assist the Department in determining whether Takeover invoices should be paid. (See Exhibit 1-1, of this Takeover Exhibit)

The WDS Report shall be furnished to the Department weekly and shall be current at the time of submittal and meet the following requirements:

- a) The report shall be submitted to the Department each Monday morning by 10:00 a.m.;
- b) If required by the Contracting Officer, the WDS report shall be submitted not only on hard copy, but also electronically or on magnetic media in a format prescribed by the Contracting Officer;
- c) Two reports shall be provided to the Department. One report shall use the WDS Number as the sort key, and the second report shall use Original Due Date as its sort key. Seven (7) copies of each report shall be submitted to the Department weekly. See Exhibit 1-1 at the end of this section for a copy of the required format for this report;
- d) WDS Number - This shall be the number the Contractor has assigned the deliverable/activity on the Takeover Work Schedule;
- e) Description - Brief description of the deliverable/activity;
- f) Date Delivered - Actual date deliverable was delivered to the Department for review and approval;

- g) Original Due Date - Initially, this shall be the due date originally provided in the Contractor's Takeover Work Schedule. Subsequent submittals by this sort will be by updated or most recently assigned due date;
- h) Days Late/Early - The number of days the deliverable was delivered either late (- days) or early (+ days);
- i) Date Approved, Disapproved, Pending, or Conditionally Approved - The date the Department either: approved (A), disapproved (D), pending (P), or conditionally approved (C) the deliverable;
- j) Resubmission Due Date - If disapproved, pending or conditionally approved, this field will reflect the new due date set by the Department. There will be as many entries in this column as disapprovals, pending, or conditional approvals by the Department;
- k) Date Resubmitted;
- l) Days Late/Early - Same definition as item (e) above, but relative to item (g) above (the new due date);
- m) Date Approved, Disapproved, Pending, or Conditionally Approved - The date the Department approves, disapproves, pending, or conditionally approves the resubmitted deliverable;
- n) Remarks – Free form comments space allowing up to seventy (70) characters; and
- o) A Weekly Deliverable Exception (WDE) Report. This report shall extract those deliverables, milestones, walkthroughs, and Department approvals from the WDS report that are past due. The report shall be sorted by due date with the oldest due date first.

1.4.4 ASSEMBLE MANAGEMENT TEAM

Per Exhibit E – Additional Provisions, the Contractor's Representative shall be designated by contract effective date. The management team shall be employed by the Contractor at the beginning of Takeover, and be submitted to the Department, as well as the names and resumes for management team positions required in Exhibit E – Additional Provisions. Changes in the composition of the team as contained in the Contractor's Technical Proposal or as required by this paragraph, are subject to the requirements set forth in Exhibit E – Additional Provisions.

The Contractor shall designate one individual as the Takeover Manager. The responsibilities of the Takeover Manager shall include ongoing management and overall serve as the Contractor's liaison to the Department. This manager shall be fully qualified for this position.

1.4.5 TRAINING PLAN

The Contractor shall:

- 1) Develop materials and courses to train Contractor staff and familiarize Department staff with its operation;
- 2) Develop any needed training to ensure successful Takeover, as well as develop and internally distribute staff training materials as needed;
- 3) Schedule and execute all training plans and updated training plans to fully support Takeover tasks and activities and to ensure full preparedness for the performance of all Contractor responsibilities, including those specified in Exhibit A-Attachment II, Operations;
- 4) Deliver to the Department for review and approval, two (2) weeks after contract effective date, a detailed CD-MMIS Training Plan;
- 5) Commence CD-MMIS training as detailed in the plan upon Department approval of the Plan;
- 6) Plan to provide training that is specifically directed to ensure that all new Contractor staff can adequately perform all Contractor responsibilities;
- 7) Ensure contractor staff be trained, but not limited to: technical, manual review, professional, and Provider Services staff. Also, the plan shall address the training of these staff in contract changes that occur during the term of the contract. Contract changes are defined in Exhibit A-Attachment III, Change Requirements. Department staff may attend these sessions. This training program should be developed utilizing training provided by the prior Contractor; however, it shall not be dependent upon that training. The Contractor's training shall be given in Sacramento;
- 8) Ensure major areas are covered in the Contractor's CD-MMIS Training Plan and training program include:
 - a) Administrative Support Services;
 - b) Mailroom and Prescreening;
 - c) Data Entry, including computer media, Scanning, and KDE;

- d) Claims Control;
 - e) Para-professional and Professional Review;
 - f) Clinical Screening;
 - g) CIF Processing;
 - h) TAR Processing;
 - i) NOA Processing;
 - j) Claims Processing (suspense);
 - k) Appeals Processing;
 - l) Dental Scope Fair Hearings;
 - m) Specialized claims processing (i.e., TMJ, etc.);
 - n) Checkwrite and Payment;
 - o) Share of Cost);
 - p) Computer and Ancillary Equipment;
 - q) CD-MMIS Files, Programs, and Reports;
 - r) Each of the CD-MMIS subsystems plus all other health programs claims processing (e.g., CCS/GHPP, CMSP, CTP, and Healthy Families);
 - s) Use of the on-line data element dictionary, including hands-on training at terminals;
 - t) Provider Services;
 - u) Toll-Free Telephone Operations (Provider and Beneficiary);
 - v) S/URS and CDR training;
 - w) Dental outreach activities; and
 - x) Security and Confidentiality Procedures.
- 9) Ensure the training plan describes how the Contractor plans to accomplish the required Training and Development Program in Exhibit A-Attachment II, Operations, Staff Training Requirements section;

- 10) Ensure the number of Department designated staff to be trained on the CD-MMIS by the Contractor during Takeover do not exceed a total of fifty (50) persons. The Contractor shall provide facility tours, as part of CD-MMIS training, for no more than a total of one hundred fifty (150) Department-designated personnel;
- 11) Two (2) weeks after training begins, and every other week thereafter, provide to the Department a written report detailing the progress and status of actual training compared to the CD-MMIS Training Plan submitted one (1) week after contract effective date;
- 12) On the first (1st) day of month ten (10) after contract effective date, submit a comprehensive training manual to create ongoing training plans for Operations that fully meet the requirements in the Scope of Work, Exhibit A-Attachments I through IV.

1.4.6

ORGANIZATIONAL AND PERSONNEL ACQUISITION PLAN

The Contractor shall, two (2) weeks after the contract effective date, update its Organizational and Personnel Acquisition Plan presented in the Technical Proposal. This plan shall be comprised of the following two (2) separate and distinct sections:

1) Personnel Acquisition Plan

This section of the plan shall describe the method of recruitment and selection of staff to prepare the Contractor for full operation of the CD-MMIS. In addition to a narrative discussion, the Personnel Acquisition section of the plan shall include a Staff Loading Chart and a Gantt Chart (or equivalent). The Personnel Acquisition section shall specifically include the following information:

- a) A chart showing the number of staff to report to work on this contract by month and classification;
- b) The method of hiring CD-MMIS Operations staff, including sources of recruitment and numbers employed, by functional area, from current Contractor;
- c) An explanation, including specific actions to be taken, of how the Contractor will assure the Department that sufficiently experienced and trained personnel are available to support all Takeover tasks and begin full CD-MMIS Operations without interruption of service to providers, beneficiaries, or the Department;
- d) A description of alternative actions, or contingency plans, if the Contractor is unable to recruit sufficient numbers of adequately

trained staff for each functional or operational area on a timely basis, or if the Contractor's original estimates are too low;

- e) A plan for hiring all specialized trained/experienced staff, as prescribed throughout the contract (see Exhibit E – Additional Provisions 12 and 13). The plan shall provide for hiring staff during Takeover within the time frames required in this contract; and
- f) A plan for recruiting and transitioning the incumbent's employees to this contract.

Unless otherwise stipulated; plans, charts, and procedures relating to on-going operational components shall be maintained, kept up-to-date, and submitted to the Department throughout the life of the contract.

2) Organizational Structure

This Organizational Structure section of the Contractor's Takeover Organizational and Personnel Acquisition Plan shall provide a complete and detailed description of the organizational structure to be used by the Contractor during both Takeover and Operations, as well as the total staffing levels for each period by classification and each organizational unit. (Each of the Hourly Reimbursed Special Groups identified in Exhibit B-Attachment I, Special Payment Provisions in addition to the staff positions to be reimbursed under the Cost Reimbursement provision of this contract, shall be listed as separate organizational units.) The Takeover staffing levels provided shall correspond to the staffing needs indicated by the Contractor in the Takeover Work Plan. If the staffing levels needed for Takeover vary throughout the Takeover Phase, variable levels shall be indicated through a narrative description, a Gantt Chart (or equivalent) and a Staff Loading chart to indicate staffing by Takeover task.

Additionally, the Organizational Structure section of this plan shall include the following:

- a) Organization charts and descriptions showing the location of the CD-MMIS in the Contractor's firm, and organization charts and descriptions for all CD-MMIS Operations areas. The functional responsibilities of each organizational unit, the delegation of responsibilities to CD-MMIS organizational units, organizational decision-making points, and unit staffing by classification shall be provided.
- b) Complete job descriptions (specifications) for all classifications used for senior management, Provider Services, Beneficiary

Services, Systems Group (SG), Quality Management (QM), and Cost Reimbursement staff, including job title, functional responsibilities, and experience requirements.

1.4.6.1 SCHEDULE EXECUTION AND REPORTING

The personnel function is to be established and all hiring completed at levels at least equal to that prescribed in the contract and in the Contractor's Organizational and Personnel Acquisition Plan during the Takeover Period.

The Contractor shall:

- 1) Provide staffing requirements and contingency plans;
- 2) Develop and secure Department approval for, and implement staffing requirements and contingency plans for both TAR start-up and assumption of claims processing activities under this contract;
- 3) Provide to the Department, two (2) weeks after contract effective date and every other week (biweekly) thereafter, or as agreed to by the Contracting Officer, a written Hiring Progress Report detailing the status and progress of the actual hiring of personnel compared with the Organizational and Personnel Acquisition Plan and Staff Loading Chart submitted as part of its plan;
- 4) Include the number of staff who has accepted job offers and the number of staff who have reported. The first submittal of this Hiring Progress Report shall be subject to Department review and approval for format and content. Following Department approval of the initial submittal for format and content, subsequent reports will conform to this approved model;
- 5) Provide updates to Organizational Structure section of the Takeover Organization and Personnel Acquisition Plan, if changes are proposed to the organizational structure during Takeover. These updates shall be provided to the Department five days prior to such proposed change(s). All changes shall be subject to Department approval prior to implementation;
- 6) Ensure at Takeover completion, this deliverable shall become the Contractor's Operation Organizational and Personnel Acquisition Plan and the Hiring Progress Report, shall be provided by the Contractor to the Department when personnel changes occur, by the fifth day of the month following the changes as an ongoing contract deliverable throughout the life of the contract.

In those cases where the Contractor is required to have a position(s) filled and a hiring commitment has been made to fill the position(s) with

the prior Contractor's staff member(s), the Department will work with the Contractor to establish a transfer date. If necessary, upon written request by the Contractor and written approval by the Contracting Officer, the Department will waive the hiring dates required in the contract.

1.4.7 PLAN FOR ASSUMPTION OF CD-MMIS OPERATIONS

One (1) month following contract effective date the Contractor shall submit to the Department for review and approval, its plan for assumption of CD-MMIS Operations.

The assumption plan shall address specific Takeover assumption requirements and provide detailed, step-by-step procedures for each specific Takeover assumption task to demonstrate how the Contractor proposes to successfully assume complete and full operation of the CD-MMIS.

Takeover assumption requirements and tasks to be addressed in this plan include, but are not necessarily limited to, those described in this section, Assumption of CD-MMIS Operations, as well as any additional requirements described herein.

The Contractor's plan for assumption of CD-MMIS Operations shall include narrative descriptions, supporting documentation and detailed procedures, an installation schedule, and a Gantt Chart (or equivalent) to describe the Contractor's overall plan for undertaking and completing each task and activity associated with the assumption process. The activities identified in the plan for assumption of CD-MMIS Operations shall be described under each of the following assumption tasks:

- 1) Startup of TAR Processing.
 - a) Processing TARs/CIFs/RTDs, request for reconsideration of denied lines on a NOA;
 - b) Handling misdirected mail and claims/TARs/NOAs/CIFs;
 - c) Establishing Post Office Boxes and toll-free telephone lines;
 - d) Implementing Clinical Screening requirements; and
 - e) Accepting, installing, and processing TAR inventory, records, and claims history.
- 2) Two-Way File Transfer and File Maintenance.
 - a) Testing of two-way transfer;

- b) Exchanging processing information/data;
 - c) Uniquely identifying file information for report production purposes;
and
 - d) Producing accurate reports.
- 3) Assumption of Claims Processing.
 - a) Processing Claims/NOAs and appeals;
 - b) Processing documents with prior contractors approved services;
 - c) Billing the Department for cost reimbursement of paid services;
and
 - d) Handle misdirected mail and claim/NOAs/CIFs.
- 4) Duplicate Payment Authorization Procedures.
 - a) Checking for duplicate payments and authorizations by the prior contractor and the Contractor;
 - b) Resolving duplicate payment and authorizations problems; and
 - c) Reporting to the Department on duplicate payment/recoveries and authorization;
- 5) Provider Check Processing
 - a) Accepting checks from providers;
 - b) Redirecting appropriate checks to the prior contractor;
 - c) Reimbursing the prior contractor's portion of appropriate checks;
and
 - d) Reporting to the Department on all checks issued by the Contractor.
- 6) Handling Beneficiary Inquiries/Grievances.
- 7) Utilizing existing CD-MMIS forms and modifying and reprinting as necessary.
- 8) Processing interim payments as directed by the State.
- 9) Receiving, installing, updating, and maintaining the Provider Master File (PMF).

- 10) Implementing records retention responsibilities.
- 11) Implementing security and confidentiality responsibilities.
- 12) Implementing quality control responsibilities.
- 13) Receiving, installing, maintaining, and processing all residual inventory at the end of prior contractor's Runout Processing period.
- 14) Producing reports.
- 15) Transfer the Post Office Box(es) from the prior contractor at the end of the prior contractor's runout processing period.
- 16) Cycle time: The Contractor shall address how it will meet cycle time requirements during the assumption period and ensure that no backlogs arise in the areas of claim/TAR adjudication.
- 17) Staffing requirements and contingency plans: The Contractor shall develop, secure State approval for, and implement staffing requirements and contingency plans for both TAR start-up and assumption of claims processing activities under this contract.
- 18) Special provider services occurring during the assumption period.
- 19) Transfer of State owned or leased equipment.
- 20) Methods of assisting providers who are submitting documents to the prior contractor or who are having difficulty determining who has their document.

1.4.8 ADMINISTRATIVE FUNCTIONS

For the Administrative Functions listed below, the Contractor shall comply with the requirements described in Exhibit E – Additional Provisions:

- a) Submit Ownership and Control Information;
- b) Submit Proof of Application for Knox-Keene License;
- c) Designate Contractor Representative;
- d) Submit Request for Approval of Required Insurance and/or Bonding by Other than Third Party Carrier;
- e) Submit Proof of Insurance and Bonding;

- f) Submit Conflict of Interest Statement;
- g) Submit Letter of Credit;
- h) Submit Forty (40) Copies of Updated Technical Proposal;
- i) Submit Proof of Knox-Keene Licensure;
- j) Submit Quality of Care Availability Plan; and
- k) Update Conflict of Interest Statement.

1.4.9 TAKEOVER COST PLAN

The Proposer shall deliver a Takeover Cost Plan two (2) weeks following the contract effective date. The plan shall, at a minimum include:

- 1) The RFP requirement;
- 2) Bid price for each requirement; and
- 3) Include description of how the Contractor complies with each requirement.

The Department shall review and approve only those costs necessary for Takeover; any other costs shall be disallowed. The Department will not allow or approve any amendments to the Contractor's Operational bid price as a result of any disallowances.

1.5 FACILITIES ACQUISITION AND INSTALLATION

1.5.1 FACILITIES ACQUISITION AND INSTALLATION PLAN

The Contractor shall deliver an updated and more detailed Facilities Acquisition and Installation Plan to the Department three (3) weeks following contract effective date showing the planned usage of space for the Contractor's operation of the CD-MMIS, provision of space for Department on-site staff during both Takeover and Operations, and provision of space for all equipment.

The Facilities Acquisition and Installation Plan shall include narrative descriptions, supporting documentation, installation schedule and a Gantt Chart (or equivalent) detailing the installation schedule. The plan shall provide information that includes, but is not limited to:

- 1) The location of the Contractor's Sacramento facility(ies);

- 2) The extent to which the Contractor's site(s) is/are currently under lease or ownership or planned to be leased or bought. If the site(s) is/are not currently under lease or ownership, the Contractor shall, at a minimum, provide a guaranteed lease option on the facility(ies) including the name, address, and telephone number of the leasing or selling agent for contact by the Department. The Contractor shall describe facilities it currently has in Sacramento for use in CD-MMIS and what facility space, and for what functions, it must obtain and/or finalize development. Temporary Sacramento facility(ies) shall be obtained by the Contractor, if necessary, and be available for occupancy by the Department and Contractor staff two (2) weeks after the contract effective date. Any change in facility(ies) location from that which the Contractor specified in its Technical Proposal shall be subject to prior written approval by the Contracting Officer; and
- 3) A description of the modifications that must be made to the Sacramento facility(ies), a schedule for completing those modifications, and the actions taken by the Contractor to ensure that this schedule is met. This shall address at a minimum:
 - a) Installation of raised floors;
 - b) Installation of special computer electrical equipment;
 - c) Installation of computer air conditioning and cooling systems;
 - d) Installation of telecommunications (both data and voice) lines; and
 - e) Major facility(ies) installation milestones.
 - f) Certification that the Contractor has verified that electrical, telecommunications, and phone service can be provided to the Contractor facility(ies) and onsite Department offices in order to adequately support CD-MMIS Operation.
 - g) Interdependencies with other Takeover tasks and contingencies for problems and delays. The Contractor shall describe how it will utilize space to support Takeover activities including any temporary space needed for Contractor and Department staff and how space needed will be handled for each Takeover task.
 - h) Allocated permanent space by function, including Department area.
 - i) Accessibility to on-site operations.
 - j) Access to telephone, CRT, and electrical power.

- k) Available parking, including State visitor and DISABLED PARKING spaces.

1.5.2 PLAN EXECUTION

1.5.2.1 TEMPORARY FACILITY

All Department liaison and planning activities shall take place in Sacramento. The Contractor shall comply with all requirements as defined in Exhibit E – Additional Provisions, for the provision of facilities and equipment for forty (40) Department staff, with temporary space available for Department Takeover and Acceptance Test staff, two (2) weeks after contract effective date, and full Department space available no later than seven (7) months fifteen (15) days after contract effective date. The Department staff shall be able to move into the permanent Contractor facility at the same time, as shall the Contractor's staff.

1.5.2.2 PERMANENT SACRAMENTO FACILITY

The Contractor shall obtain a permanent facility within a twenty-five (25) mile radius of the State Capitol to operate the CD-MMIS, including all non-mainframe systems, as specified in Exhibit E - Additional Provisions. The permanent facility shall be completely operable seven (7) months fifteen (15) days after contract effective date. Until this facility is installed, CD-MMIS Takeover activities shall take place within twenty-five (25) miles of the State Capitol in accordance with Exhibit E - Additional Provisions. Until the facility is installed, the Contractor shall have available, in Sacramento, sufficient space to perform its Takeover activities including all testing and staff training responsibilities.

1.5.2.3 COMPUTER CENTER

Upon contract effective date, the Contractor shall have use of an operational data center able to support the contract.

1.5.3 HARDWARE AND EQUIPMENT ACQUISITION AND INSTALLATION PLAN

The Contractor shall deliver a detailed Hardware and Equipment Acquisition and Installation Plan one (1) month following the contract effective date. This Plan shall meet the documentation requirements specified in Exhibit A- Attachment II, Operations, Data Processing and Documentation Responsibilities section and describe the on-/off-site hardware/equipment and the installation of the hardware/equipment to support the CD-MMIS,

including all non-mainframe systems. The plan shall describe all Central Processing Units (CPUs), data storage devices, printers, terminals, key entry devices, telecommunications equipment, scanning equipment, and any other data processing peripheral devices and Department cost reimbursable equipment. The plan, at a minimum, shall describe:

- 1) A configuration schematic showing all hardware and communication networks;

All hardware including quantity, model number, manufacturer, new or used equipment, capacity available to support the CD-MMIS (if equipment is proposed as a shared environment) and expansion capability related to CD-MMIS processing; All hardware including quantity, model number, manufacturer, new or used equipment, capacity available to support the CD-MMIS (if equipment is proposed as a shared environment) and expansion capability related to CD-MMIS processing;

- 2) A projected reduction or increase in the proposed hardware and equipment based on a reduction or increase in CD-MMIS claim volume ranges;
- 3) A projected response time using the proposed configuration and the CD-MMIS environment which complies with the response time requirements in the Data Processing and Documentation Responsibilities of the Scope of Work. Statistics shall be provided to the Department by the Contractor to support this projected response time calculation;
- 4) Industry ratings of proposed hardware;
- 5) The installation dates, order points, and projected critical path of the Hardware and Equipment Acquisition and Installation Plan needed in order to support all Takeover tasks and begin operation of the CD-MMIS with the startup of TAR processing seven (7) months and fifteen (15) days after contract effective date. This shall show a phase-in of sufficient equipment to support each Takeover task and, if the Contractor's permanent facility is not completed, the facility in which the equipment will be installed. This shall include equipment necessary for System Testing (to be installed two (2) months after contract effective date), equipment necessary for Acceptance Testing (to be installed three (3) months after contract effective date), and equipment needed for staff training (to be installed prior to training);
- 6) Plans for Department telecommunication network switchover from the prior contractor to the Contractor;
- 7) Contingency plans for acquisition and installation of all hardware and equipment in case of schedule slippage;

- 8) Backup and recovery facility(ies) and equipment in the event of facility or equipment failure. Backup facility(ies) shall have active telecommunication hookups to all locations necessary to assume processing in an emergency;
- 9) The maintenance contracts/agreements in detail for all proposed hardware and equipment; including the level, number, and availability of maintenance personnel, and whether maintenance personnel are on-site or on-call (if on-call, give maximum response times); and
- 10) Additionally, the Hardware and Equipment Acquisition and Installation Plan shall identify the Contractor's acquisition and installation plan for non-data processing equipment. At a minimum the plan shall describe:
 - a) All types of equipment required;
 - b) Purchase orders or proposed delivery dates;
 - c) Installation dates; and
 - d) Interdependencies with other Takeover tasks and contingencies for problems or delays in deliveries or installations.

1.5.3.1 INSTALLATION PLAN EXECUTION

The Contractor shall:

1) Data Processing Hardware

Obtain and install all equipment required to support the Takeover and assumption of the CD-MMIS without interruption of service to providers and the Department. Time shall be allowed for testing of and training on hardware prior to the point it is required.

2) Equipment

Ensure equipment shall be installed, as needed, to support each Takeover task. Equipment required for System Testing shall be installed and operational two (2) months after contract effective date and the actual equipment needed shall also be identified in the Contractor's System Test Plan. Equipment needed for Contractor Acceptance Test support to the Department shall be installed and operational three (3) months after contract effective date; this equipment shall also be identified in the Contractor's Acceptance Test Support Plan. All equipment needed for staff training shall be installed prior to that training. All CD-MMIS equipment shall be installed no later

than seven (7) months and fifteen (15) days after contract effective date unless specifically exempted in writing by the Contracting Officer.

3) Department Owned/Leased Equipment

- a) Install Department owned/leased equipment currently operated by the prior contractor. This equipment includes, but is not limited to, personal computers, printers, controllers, servers, and modems to be connected to the Contractor's host computer, or, in the case of modems and associated equipment, to be installed at the Contractor's data processing center.

This equipment also includes all non-mainframe systems, including but not limited to, the Computer Media Claims (CMC) and network equipment, etc. This equipment shall be transferred from the prior contractor via the Department, to the Contractor seven (7) months fifteen (15) days after contract effective date (start up of TAR processing).

- b) Obtain and install, two (2) months after contract effective date, all required line connectivity between the Health and Human Services Data Center and the Contractor's computer to access the Fiscal Intermediary Access to Medi-Cal Eligibility (FAME) data in HHSDC.

1.6 SOFTWARE INSTALLATION

1.6.1 SOFTWARE INSTALLATION PLAN

The Contractor shall submit a Software Installation Plan one (1) month after contract effective date.

The plan shall:

- 1) Describe the operating system and licensed system software proposed to support the CD-MMIS and all non-mainframe systems, as well as the proposed installation schedule for such system software. The plan shall include:
 - a) License arrangements, purchase orders, delivery dates, and installation dates;
 - b) All system software products;
 - c) Versions and release dates;
 - d) IBM compatibility and compatibility with the CD-MMIS;

- e) Product support agreements;
 - f) Purpose of the products;
 - g) Installation dates;
 - h) Industry ratings of software;
 - i) Minimum qualifications of system software support staff; and
 - j) Interdependencies with other Takeover tasks and contingencies for problems and delays with acquisition and installation of software.
- 2) Describe the Contractor's installation plan for the CD-MMIS software. The plan shall specifically address CD-MMIS and shall describe, at a minimum:
- a) Installation dates;
 - b) Tasks and resources allocated;
 - c) Provisions for walkthroughs with Department designated personnel during Takeover;
 - d) Interdependencies with other Takeover tasks and contingencies for software installation and/or operational problems and delays, including the potential need to request corrections to, or additional, software from the prior contractor; and
 - e) The methodology to install the prior contractor's changes to software throughout the Takeover period until the assumption of claims processing. The Contractor shall describe how its changes shall be integrated with the prior contractor's changes.
- 3) Describe the Contractor's installation plan for additional applications software. Such software includes that software which the Contractor considers necessary to successfully operate the CD-MMIS and is not currently part of the system. The plan shall describe, at a minimum:
- a) Description of the software;
 - b) Any development effort required on the Contractor's part;
 - c) Installation dates;
 - d) Tasks and resources allocated;

- e) Provisions for walkthroughs with Department designated personnel during Takeover;
- f) Interdependencies with other Takeover tasks and contingencies for problems or delays with additional application software acquisition and installation;
- g) Design, development, and testing of such software, if applicable; and
- h) License arrangements.

1.6.2 SOFTWARE INSTALLATION PLAN EXECUTION

The Contractor shall:

1) System Software

Obtain and install the necessary operating system software and licensed system software required for operating and supporting the CD-MMIS. The installation of the system software shall be completed two (2) months following the contract effective date.

2) CD-MMIS Software

Accept and fully install the CD-MMIS in its own facility two (2) months after contract effective date. The Contractor shall receive, at the beginning of Takeover, the current version of the CD-MMIS that is being operated by the prior contractor. The Contractor shall install all changes that are made to the CD-MMIS by the prior contractor during the period between the beginning of Takeover and the startup of TAR processing.

After the startup of TAR processing, the Contractor shall be responsible for, and make all changes necessary to maintain, the CD-MMIS in compliance with program policy and procedures as directed by the Contracting Officer.

3) Non-Mainframe Systems

Accept and fully install the non-mainframe systems in its own facility two (2) months after contract effective date. The Contractor shall receive, at the beginning of Takeover, the current versions of the non-mainframe software that are being operated by the prior contractor. The Contractor shall install all changes that are made to non-mainframe systems by the prior contractor during the period between the beginning of Takeover and the startup of TAR processing.

After the startup of TAR processing, the Contractor shall be responsible for, and make all changes necessary to maintain, the non-mainframe systems in compliance with program policy and procedures as directed by the Contracting Officer.

4) Additional Applications Software

Obtain, or design, develop, and install, any other applications software necessary to operate the CD-MMIS two (2) months after the contract effective date. Some applications software in the present CD-MMIS may be proprietary and the Contractor shall secure a license for the proprietary software, or design and develop a substitute. If the licensor of the software is the prior contractor, the Department will secure the license and provide it to the Contractor. Any necessary new development(s) shall be as transparent as possible to providers, beneficiaries, and Department users. The resulting software shall be installed and utilized by the Contractor only after written Department approval is secured.

1.7 FILE INSTALLATION

1.7.1 FILE INSTALLATION PLAN

The Contractor shall submit the File Installation Plan five (5) weeks after contract effective date. The plan shall, at a minimum, describe:

- 1) Installation dates for each file;
- 2) Availability of computer hardware and system software to enable installation;
- 3) Storage media for files;
- 4) Interdependencies with other Takeover tasks and contingencies for problems or delays. This shall include the files needed to support each Takeover task, including System Testing, Acceptance Testing and the various components of the claims processing functions;
- 5) Procedures to be used for installation of files with additional history during assumption of claims processing functions (e.g., residual history transferred); and
- 6) Procedures for generating files for transmittal to the prior contractor during the Assumption period.

1.7.2 PLAN EXECUTION

Test files will be made available to the Contractor for testing prior to the required installation date.

The Contractor shall:

- 1) Accept, install, and utilize Department supplied files or production files for Acceptance Testing;
- 2) Install all files necessary to take over operation of the CD-MMIS no later than three (3) days after receipt by the Contractor. A complete listing of all files to be installed is available in the Office of Medi-Cal Procurement (OMCP) Data Library; and
- 3) Be responsible for installing and updating the specific files prior to the startup of TAR and claims processing functions. All files that are updated via CRT and/or PC shall be available for CRT and/or update after the installation of those files takes place.

For the following files (i.e., Provider Master File, Fame, History, S/URS etc.), which require special consideration, the Contractor shall:

- a) Accept, install, and maintain the entire Provider Master File from the prior contractor thirty (30) days prior to the startup of TAR processing. From the startup of TAR processing until the beginning of claims processing, the prior contractor will continue to enroll providers and provide weekly updates to the Contractor. Beginning on the first day of claims processing, all enrollment requests will be transferred to the successor Contractor and the Contractor shall then begin processing provider enrollment requests and updating the Provider Master File from that time forward. The Contractor shall transfer the Provider Master File transactions to the prior contractor beginning the week that the Contractor begins updating these files. These transfers shall occur weekly (each Monday) and shall continue until the prior contractor ceases all claims processing functions;
- b) Accept and install the Fiscal Intermediary Access to Medi-Cal Eligibility (FAME) two months after contract effective date. The Contractor shall inquire and receive FAME eligibility data through a data telecommunication between HHSDC and the Contractor's computer;
- c) Maintain its own history files beginning with the startup of TAR processing. The Contractor shall accept and install the history files from the prior contractor one (1) month prior to the startup of TAR processing and shall receive and process weekly updates

from the prior contractor until the end of the prior contractor's contract Runout Processing period;

- d) Accept and install S/URS files during the month prior to assumption of claims processing. The Contractor shall maintain these files or any others the Contracting Officer may so designate from this date forward;
- e) Accept and install the CD-MMIS Tables File (UT-F-001), the Edit and Audit Criteria File (EACF), the Procedure and Pricing File, and all the support files during the month prior to startup of TAR processing. The Contractor shall maintain these files from this date forward;
- f) Accept and install records of all TARs authorized by the prior contractor 1 day prior to the startup of TAR processing. The Contractor shall then use this file for editing new TAR requests to avoid duplicates and editing claims submitted after the start of claims processing. This information shall be updated weekly from the files provided by the prior contractor through the completion of the prior contractor's contract Runout Processing period; and
- g) Install the Procedure Master File from the prior contractor one (1) month prior to the start up of TAR processing. The Contractor shall then be responsible for the application of updates to this file as required in Operations from this day forward.

For all of the above files, the Contractor shall provide appropriate reports to the Department in compliance with the requirements of the General Reporting Requirements section as described in Exhibit A-Attachment II, Operations.

1.7.2.1 PLAN EXECUTION DURING ASSUMPTION

Various files shall be transferred by magnetic tape from the prior contractor for usage in this contract. Installation of the files shall occur within three (3) State workdays after receipt by the Contractor. Some files that are transferred during assumption will have been transferred earlier.

The Contractor shall:

- 1) Update or merge newly transferred files with prior files that the Contractor has already installed and has been maintaining;
- 2) Maintain a Pended Claims History File for documents under its control beginning with the startup of TAR processing. Any residual claims/NOAs/RTD's transferred at the end of the prior contractor's contract Runout Processing period shall be added to this file;

- 3) Accept and install all files the Contracting Officer may so designate as part of the responsibilities of the assumption of the residual inventories from the prior contractor. This transfer shall occur on the weekend prior to the start up of TAR processing; and
- 4) Transfer and maintain all weekly, monthly, and yearly history files in order to maintain complete records and have the files readily accessible to recreate history.

1.8 PROVIDER SERVICES

1.8.1 PROVIDER SERVICES PLAN

The Contractor shall update and deliver to the Department the Provider Services Plan submitted in the Technical Proposal, one (1) month after the contract effective date. This plan shall:

- 1) Include narrative descriptions, detailed procedures, an implementation schedule, and a Gantt (or equivalent) demonstrating how the Takeover responsibilities will be performed; and
- 2) Describe procedures, tasks, activities, and staffing for all Provider Services functions, to ensure Contractor compliance with all contract requirements. Procedures shall reflect an aggressive provider orientation and training program to ensure complete provider understanding of billing procedures, provider agreements and any new requirements.

1.8.2 PLAN EXECUTION

The Contractor shall at a minimum, employ staff as described in the Contractor's technical proposal. The Contractor's staffing shall demonstrate that it is adequate to perform the required work. The Provider Services area shall have a sufficient number of trained staff to handle all of Takeover and meet all the requirements described in Exhibit A-Attachment II, Operations at the start up of TAR processing. Additionally, the Contractor shall have a contingency plan to be followed should staffing during Takeover prove inadequate for the Contractor to meet all of its contractual requirements.

1.8.2.1 CONTRACTOR RESPONSIBILITIES

The Contractor shall:

- 1) Ensure all Provider Services functions are adequately staffed to meet RFP requirements;
- 2) Ensure sufficient Toll-Free Telephone Operations staff is in place one (1) month prior to the start up of TAR processing;
- 3) Ensure Provider Services is fully staffed and operational at the start-up of claims processing. Provider Services and training staff shall be hired in sufficient numbers and answer provider concerns and train providers;
- 4) Ensure that all necessary telecommunication systems and equipment are installed and fully operational one (1) month prior to the startup of TAR processing activities;
- 5) Respond to all inquiries from provider associations within five (5) workdays of receipt of inquiry during Takeover. All other provider-related responses shall meet appropriate operational cycle time requirements;
- 6) Develop procedures for responding to all provider complaints and/or questions received. These procedures shall be submitted for review and approval as part of the Provider Services Plan and they shall provide for minimal disruption of service to providers and in the resolution of concerns;
- 7) Review the existing Provider Desk Reference for any changes needed and submit a revised version for Department review and approval three months after contract effective date. Upon Department approval, the updated Provider Desk Reference shall not be distributed to all providers, but may be distributed through training sessions, requests for replacement Manuals or Desk References and upon new provider enrollments; and
- 8) Ensure that Dental Outreach including beneficiary access in rural counties is operational at the start of TAR processing (Refer to Exhibit A-Attachment II, Operations, Provider Subsystem).

1.8.2.2 PROVIDER MASTER FILE (PMF)

The Contractor's Provider Services Plan shall include as narrative description, supporting documentation and detailed procedures, and a Gantt (or equivalent) Chart demonstrating the Contractor's plan for receiving, installing, updating, and maintaining the PMF during the Takeover period. The Contractor shall identify and describe the functions necessary to

maintain the PMF from installation, through TAR processing, as well as the specific functions for PMF maintenance (during the six (6) month period of time from the first day of claims processing under this contract through the last day of the prior contractor's Runout processing period.)

The Contractor's Provider Services plan shall address the following:

- 1) Accept and install the entire PMF from the prior contractor thirty (30) days prior to the startup of TAR processing. The prior contractor shall, under its current contract, continue to maintain the PMF, enroll providers, and provide weekly updates of the PMF to the Contractor until the assumption of claims processing under this contract (scheduled to begin on the first day of Month ten (10) after contract effective date). The Contractor shall apply these updates to the PMF by the start of the next working day after receipt from the prior contractor; and
- 2) Beginning on the first day of claims processing, all enrollment requests shall be transferred to the Contractor and process on-line provider updates to the PMF from that date forward.
- 3) Provide weekly PMF transactions updates to the prior contractor beginning with the week the Contractor starts updating these files. These transfers/updates shall occur weekly (each Monday) and shall continue until the prior contractor ceases claims processing activities.

1.8.2.3 PROVIDER PRINTING AND PUBLICATIONS

The Contractor shall at a minimum employ staff, which shall be adequate to perform the required provider printing, and publications activities. The printing and publications operation shall have sufficient trained staff to handle all of printing and publication requirements and needs and shall be fully staffed and operational prior to the startup of TAR processing. Fully operational is defined as being able to meet all Takeover requirements as well as the requirements in the Provider Subsystem section of this contract. Additionally, the Contract shall have a Contingency Plan to be followed should staffing prove inadequate for the Contractor to meet all of its contractual requirements.

1.8.2.3.1 CD-MMIS FORMS

The Contractor shall:

- 1) No later than four (4) months following contract effective date, obtain subcontracts for all cost-reimbursed and fixed price CD-MMIS forms to be printed or demonstrate the ability to print specific forms without a subcontract. No later than five (5) months after contract effective date, the Contractor shall have an adequate supply of these forms to perform

the internal operations of the CD-MMIS and to provide an initial set of forms and re-order forms to all enrolled Medi-Cal Dental providers (See Exhibit A-Attachment II, Operations, Provider Subsystem section) prior to the startup of TAR processing. The Contractor shall pre-imprint and mail these forms to providers, with instructions that they are for use in billing the Contractor, one (1) month prior to the startup of TAR processing;

- 2) Accept, for processing, any CD-MMIS forms printed by the prior contractor or its subcontractor and submitted by a provider. The Department will transfer, for use by the Contractor, any forms owned by the Department. The Contractor shall print, imprint, and distribute claim forms, CIFs, RTDs, TARs, NOAs, radiographs, envelopes, claim billing envelopes, and any other forms needed by providers to bill the Contractor (Exhibit B-Attachment I, Special Payment Provisions, specifies which forms are cost reimbursable); and
- 3) Ensure utilization of the CD-MMIS claim forms used by the prior contractor and procedures to modify claim forms and other documents.

1.9 BENEFICIARY SERVICES OPERATIONS

1.9.1 BENEFICIARY SERVICES PLAN

The Contractor shall deliver to the Department a Beneficiary Services Plan two (2) weeks after contract effective date.

This plan shall:

- 1) Include narrative descriptions, detailed procedures, an implementation schedule, and a Gantt (or equivalent) chart demonstrating how Takeover responsibilities will be performed;
- 2) Describe, in detail, the Contractor's procedures, tasks, activities, and staffing for all Beneficiary Services functions, to ensure Contractor compliance with contract requirements; and
- 3) Identify anticipated problems (including staffing), and include a Contingency Plan for each identified problem. The Contractor shall follow the Contingency Plan in the event staffing during Takeover proves inadequate for the Contractor to meet all of its contractual requirements.

1.9.2 PLAN EXECUTION

The Contractor shall:

- 1) Ensure Beneficiary Services has a sufficient number of trained staff to handle all of Takeover and meet all the requirements described in Exhibit A-Attachment II, Operations, Beneficiary Services section at the startup of TAR processing;
- 2) Provide a contingency plan to be followed should staffing during Takeover prove inadequate for the Contractor to meet all of its contractual requirements;
- 3) Ensure that all necessary telecommunication systems and equipment are installed and fully operational one (1) month prior to startup of TAR processing activities;

1.9.2.1 BENEFICIARY INQUIRIES/GRIEVANCES/COMPLAINTS

The Contractor shall handle beneficiary inquiries and process beneficiary grievances/complaints for denials of service made by the prior contractor. If the Contractor believes that the prior contractor incorrectly denied the service, the Contractor shall raise this concern to the Department. These are services in addition to those required in Exhibit A-Attachment II, Operations, Beneficiary Services.

1.10 PROCEDURE DEVELOPMENT AND INSTALLATION OF PROCEDURES**1.10.1 MANUAL PROCEDURES INSTALLATION PLAN**

One (1) month following the contract effective date, the Contractor shall submit to the Department a CD-MMIS Manual Procedures Installation Plan.

The Contractor shall:

- 1) Throughout the life of the contract, be responsible for updating system documentation as well as procedure manuals as changes occur. However, during Takeover the Department requires the Contractor to review all manuals but only update those procedures that are new, unique to the Contractor, or have not been updated by the prior Contractor with new changes, as discovered by the Contractor;

- 2) Ensure each of these revisions will result in a Takeover deliverable requiring written Department approval;
- 3) If the manual is other than one listed in this Takeover section, the Contractor shall notify the Contracting Officer in writing that the manual needs to be updated, assign a new work breakdown number and add to the updates and tasks in the Takeover work schedule and Takeover tracking reports;
- 4) Whether the updates occur during system changes or as required in this contract, and once the Department has given final approval to the updates, distribute the appropriate number of revisions to the Department's manual users at no additional cost to the Department.
- 5) In addition to developing and updating procedure manuals, be responsible for implementing those procedures. All CD-MMIS manual procedures must be installed five (5) months after the contract effective date in order to be tested as part of the Department's Acceptance Testing Phase.

1.10.1.1 REPORTS DISTRIBUTION LIST

The Contractor shall, at a minimum, meet all the requirements specified in Exhibit A-Attachment II, Operations, General Reporting Requirements section. The Reports Distribution List shall be submitted for Department review and approval four (4) months after contract effective date. The Contractor shall install the Department-approved Reports Distribution Lists five (5) months after contract effective date.

1.10.1.2 REPORT USERS MANUALS

Three (3) months after contract effective date, the Contractor shall submit the Report Users Manuals to the Department for review and approval. Department approved manuals shall be installed by the Contractor four (4) months after contract effective date.

The Contractor shall update or develop, as necessary, Report Users Manuals, by Subsystem, for all CD-MMIS reports.

These manuals shall be developed or updated incorporating the Contractor responsibilities, as addressed in this Takeover Requirements section and Exhibit A-Attachment II, Operations Requirements, along with the Reports Users Manuals that were developed by the prior contractor.

Report Users manuals shall meet the Report Users Manuals requirements specified in the Exhibit A-Attachment II, Operations, General Reporting

Requirements section as well as the following additional requirements, for all CD-MMIS/contract required reports produced:

- 1) A composite listing of all reports by Subsystem, showing the report number, report name, producing program, frequency, distribution, and report retention period;
- 2) Description of the Subsystem and its module, if the report is not produced within a defined Subsystem but is required as part of this contract (e.g. financial reports, data processing related reports), a description of these areas are required;
- 3) Subsystem, or equivalent, flowcharts;
- 4) A cross-reference to appropriate contract requirements; and
- 5) A cross-reference to the specific System Design Documentation section detailing the report.

1.10.1.3 CRT USERS MANUAL

Three (3) months after the contract effective date the Contractor shall deliver a CRT Users Manual for Department review and approval.

The Department-approved CRT Users Manual shall be installed four (4) months after contract effective date and the Contractor shall maintain this manual as revisions are made. This manual shall be subject to the documentation requirements specified in Exhibit A-Attachment II, Operations, Data Processing and Documentation Responsibilities section.

This manual shall be written and illustrated for use by the Contractor staff and all other users. It shall contain detailed instructions on how to use the screens and the mobility of exiting from one screen and requesting another function. The manual shall be subdivided into two (2) major sections: one (1) providing details for the Contractor staff and two (2) providing details for all other users. The section for the Contractor staff will require instructions on how to add, delete, and modify data while the section for all other users will require instructions on the inquiry capabilities of the system and how to request reports on-line. Each section shall be subdivided once again by subsystem and at a minimum contain the following:

- 1) Naming conventions used for screens;
- 2) A screen layout/format for all screens used by the Contractor and users. This shall include both the right and left sides of each screen when applicable;
- 3) Purpose of each screen;

- 4) Identification of each data field and a description of each including applicable codes;
- 5) Function keys associated with each screen and a description of each key's use;
- 6) Any special requirement for requesting reports on-line; and
- 7) Actual print of each screen.

1.10.1.4 DOCUMENT MANAGEMENT AND PROCESSING TEAM MANUALS

The Contractor shall update the Document Management and Processing Team Manuals. The updated manuals shall include the process and procedures used to scan TARs, returned NOAs, RTD's and CIFS. The updated manual shall be delivered to the Department for review and approval five (5) months after contract effective date. The Contractor shall install the Department-approved manuals six (6) months after contract effective date.

1.10.1.5 MANUALS DISTRIBUTION LIST

Three (3) months after contract effective date, the Contractor shall revise the Manuals Distribution List, showing names and locations of all CD-MMIS manual users, and submit the list for Department review and approval. Upon receipt of Department approval of this list, the Contractor shall utilize it to distribute all manuals to all users. Periodic updates of the list shall be submitted to the Department for review and approval throughout the life of the contract as changes, additions, or deletions to the list occur. The Contractor shall install the Department-approved Manuals Distribution List four (4) months after contract effective date.

1.10.1.6 CLINICAL SCREENING DENTIST MANUAL

The Contractor shall update and submit for Department review three (3) months after contract effective date the Clinical Screening Dentist Manual. The Department-approved manual shall be installed four (4) months after contract effective date.

1.10.1.7 PROVIDER SERVICES MANUAL

Four (4) months after contract effective date, the Contractor shall submit for Department approval the Provider Services Manual which shall include an organization chart of all Contractor staff responsible for meeting provider services requirements, and details of all procedures for meeting the

requirements of the Provider Services Subsystem. The manual shall completely describe the procedures the Contractor shall follow in implementing the provider services requirements, and include, at a minimum, the following:

- 1) Procedures regarding enrollment and certification of providers;
- 2) Overview of the Contractor's Provider Services activities;
- 3) Procedures for completing provider enrollment and provider agreement responsibilities;
- 4) Procedures for enrolling out-of-state providers;
- 5) A comprehensive plan for provider services including the operation of the Provider Services functions, Provider Training, Provider Services, Provider Toll-Free Telephone Lines, and Interactive Voice Response System (IVR);
- 6) Procedures for correspondence control including inquiries by telephone and/or in writing;
- 7) Procedures for provider on-site visits;
- 8) Overview and procedures for development, storage, printing and distribution of CD-MMIS forms, provider manuals, and bulletins; and
- 9) Procedures regarding enrollment/disenrollment of providers into the direct deposit and Electronic Data Interchange (EDI) - optional programs.

The Contractor shall install the Department-approved Provider Services Manual five (5) months after contract effective date.

1.10.2 SECURITY AND CONFIDENTIALITY

1.10.2.1 SECURITY AND CONFIDENTIALITY PLAN

On contract effective date, the Contractor shall submit to the Department for review and approval, a Security and Confidentiality Plan and associated procedures that meet the requirements described in Exhibit A-Attachment II, Operations, Security and Confidentiality section. This plan shall incorporate a Backup and Recovery Plan with detailed procedures.

1.10.2.2 PLAN EXECUTION

The Contractor shall:

- 1) Implement the Security and Confidentiality Plan two (2) weeks after contract effective date;
- 2) Treat all data supplied by the Department during CD-MMIS testing as confidential subject to protection identified in the Security and Confidentiality Plan; and
- 3) Upon receipt of Department approval of the Security and Confidentiality Plan, implement any procedural modifications previously approved by the Contracting Officer.

1.10.3 QUALITY MANAGEMENT PLAN

Two (2) months after the contract effective date, the Contractor shall update and submit for Department review and approval, the Quality Management Plan provided in its technical proposal. This plan must meet all the requirements described in Exhibit A-Attachment II, Operations, Quality Management as well as demonstrate Contractor performance for all quantitative and qualitative standards as defined in Contractor's technical proposal.

1.10.3.1 QUALITY ASSURANCE STANDARDS PROCEDURES MANUAL

Five (5) months after the contract effective date the Contractor shall submit for Department review and approval the Quality Assurance Standards Procedures Manual (developed from the Quality Management Plan procedures) for the Operations Period. The procedures and standards described in the manual shall be installed seven (7) months and fifteen (15) days after the contract effective date.

1.10.3.2 PROBLEM CORRECTION TRACKING REPORT

Using System Group deliverables, the Contractor shall develop, and submit for Department review and approval three (3) months after contract effective date, a Problem Correction Tracking Report.

This report shall be used by Contractor staff to input all initial problem statement information, and shall be used as a tool to document the status of all problem statements to final resolution. This report shall be produced on a PC using Data Base Software or CICS, and shall provide weekly, monthly and on-demand reports on all problem statements tracked in the system.

The report shall be designed to run in two (2) sequences: the first by problem statement date, and the second by problem type (e.g. reporting problem, erroneous payment, etc.). This report shall follow a similar format as the report provided in the OMCP Data Library including all reporting elements.

As part of this report, the Contractor shall include a cumulative summary status of problem statement activity. The summary shall be sorted by Department Contractor issued problem statements, and within this sort shall also be sorted by the monthly statistics data elements. The following data elements shall be included:

- 1) From implementation date:
 - a) Total submitted to date;
 - b) Total closed; and
 - c) Total open.
- 2) Monthly Statistics:
 - a) Total open;
 - b) Total closed;
 - c) Total pending Interim Responses from Contractor;
 - d) Total Interim Responses pending Department review;
 - e) Total pending Correction Action Plan (CAP) from Contractor;
 - f) Total CAPs pending Department review;
 - g) Total pending Correction Notice from Contractor;
 - h) Total Correction Notices pending Department response; and
 - i) Total pending receipt of updated system design documentation from Contractor.

The report shall be designed using the same phases and deliverables used by the Systems Group (Exhibit A-Attachment III, Change Requirements, Contractor System Development Phase Responsibilities Subsection). Assign a name and number to the report(s) consistent with the naming conventions of CD-MMIS. All reports shall meet the requirements of the Exhibit A-Attachment II, Operations, General Reporting Requirements section.

1.10.4 DEPARTMENT ACCESS AND AVAILABILITY – AUTOMATED METHODS AND PROCEDURES

The Contractor shall submit an Automated Methods and Procedures Plan that allow automated access and availability to the Department, as required in the Quality Management Operations section as described in Exhibit A-Attachment II, Operations. The plan shall be submitted three (3) months after contract effective date, and the access and availability installed five (5) months after contract effective date, to allow Department usage during Acceptance Testing.

1.10.5 SYSTEMS GROUP ORGANIZATION AND PROCEDURES

The Contractor shall:

- 1) Three (3) months after the contract effective date, submit for Department review and approval a manual with organization charts and procedures for the Systems Group (SG). These procedures shall completely describe the procedures the Contractor will follow in implementing the requirements as described in Exhibit A-Attachment III, Change Requirements;
- 2) Ensure Systems Group is fully staffed and operational one (1) week prior to TAR Processing;
- 3) Submit for Department review and approval, a plan assessing what measures will be put in place to ensure the monitoring of quality and performance for the SG in order to meet the requirements of the Change Requirements section;
- 4) Using the Systems Group deliverables, the Contractor shall develop and submit for Department review and approval three (3) months after contract effective date, Systems Group tracking reports that shall allow the Department to control projects. Reporting elements shall include, but not be limited to the following:
 - a) Identity of each SG staff person working on each project;
 - b) The actual hours used for each work item, milestone or phase of the project by SG staff person and a total number of staff hours for the project as a whole;
 - c) The estimated completion dates for each area of SG work;
 - d) Priority category of the work item, milestone, or project phase;
 - e) Indication of whether or not an overpayment exists;

- f) Estimated amount of overpayment, if any;
- g) Actual amounts recouped, if any;
- h) The approved hours for each phase of the project by SG classification and total number of approved staff hours for the entire project. All work assigned to SG shall be included, but not limited to Problem Statements, SDNs, Emergency Program Fixes, and support for ad hoc report requests;
- i) The Schedule and Hour Variance -- the difference between the projected schedule and approved hours and the actual schedule and hours; and
- j) Completed and closed work items to include only those items completed or closed during the month.

The reports shall be designed using the same phases and deliverables used in the Contractor System Development Phase Responsibilities section as described in Exhibit A-Attachment III, Change Requirements section. Assign names and numbers to the reports consistent with the naming conventions of CD-MMIS. All reports shall meet the requirements described in Exhibit A-Attachment II, Operations, General Reporting Requirements section.

1.10.6 RECORDS RETENTION PROCEDURES PLAN

Two (2) months after the contract effective date, the Contractor shall submit its Records Retention Procedures Plan as required in Exhibit A-Attachment II, Operations, Records Retention Requirements section. This plan shall describe the procedures to be followed in order to execute the Contractor's record retention responsibilities. A definition of the records subject to these procedures is contained in the Records Retention Requirements section in Exhibit A-Attachment II, Operations. At a minimum, this plan shall include:

- 1) A description of the Contractor's procedures to ensure the preservation, protection, and maintenance of all claims payment records that are a part of, or result from, the Contractor's CD-MMIS Operations under this contract or have been transferred to the Contractor, in accordance with contract requirements;
- 2) The procedures the Contractor will undertake to ensure the production of acceptable copies of claims payment records;
- 3) A description of the procedures the Contractor will utilize to provide access, retrieval, and certification of claims payment records services. This portion of the Contractor's plan shall describe the design and

compilation of a master index to assist in the location and retrieval of claims payment records; and

- 4) The name of the specific office or position within the Contractor's organization that will be responsible for executing the Contractor's records retention responsibilities.

1.10.6.1 OTHER RECORDS RETENTION RESPONSIBILITIES

The Contractor shall:

- 1) Implement its record retention responsibilities and perform the responsibilities of custodianship of payment records with the startup of TAR processing seven (7) months and fifteen (15) days after contract effective date. A complete description of these responsibilities is contained in the Exhibit A-Attachment II, Operations, Records Retention Requirements section;
- 2) Fourteen (14) months after the contract effective date, the Contractor shall deliver to the Contracting Officer a copy of the master index to claims payment records. The master index shall list at least all items under the custodianship of the Contractor, their volume, their medium, and whether they are complete in terms of the period of time required as described in Exhibit A-Attachment II, Operations, Records Retention Requirements section;
- 3) Four (4) months after the effective date of this contract, the Contractor shall prepare and deliver to the Contracting Officer a copy of the Record Retention Procedure Manual required in Exhibit A-Attachment II, Operations, Records Retention Requirements section; and
- 4) Develop and submit for written approval by the Contracting Officer, a Records/Files Summary that shall include a brief description of all records and/or files maintained under this contract. The first Records/Files Summary shall be delivered to the Department eleven (11) months after contract effective date. Upon approval by the Contracting Officer, the summary shall be maintained, updated, produced, and resubmitted to the Department for approval on a quarterly basis.

1.10.7 DOCUMENT MANAGEMENT

The Contractor shall provide a document management plan, which shall:

- 1) Provide use of a scanning process for all stored claim images; and

- 2) Provide the ability to index documents; and
- 3) Provide search capabilities for Claim Document, TARs, NOAs, CIFs, RTDs, and Radiographs; and
- 4) Provide the ability to track the same document (from first step of the process to last step of the process) for complete audit trail; and
- 5) Ensure all electronic media are stored on Computer Media Claims Computer Output to Laser Disc (CMC COLD), and the hardcopy documents are digitally stored.

1.10.7.1 CONTRACTOR RESPONSIBILITIES

The Contractor shall:

- 1) Design and develop the input preparation scanning process of TARs, CIFs, and NOAs into the CD-MMIS;
- 2) Begin the input preparation of scanning all documents as specified by the Contracting Officer on the first (1st) day of TAR processing;
- 3) Modify all application programs and manual procedures needed to bring the Contractor into compliance with the contract responsibilities;
- 4) Provide the capability to cross reference the radiographs back to the corresponding claims, TARs, CIFs, and returned NOAs, and RTDs;
- 5) Provide quality control measures to ensure a one hundred (100%) percent accuracy of readability of the scanned documents;
- 6) Reduce time by the prior contractor to access document;
- 7) Ensure application of the whole document concept in the processing and payment of claims/NOAs/TARs/CIF/RTDs. Each document is processed as a whole; however, each service line is reviewed and adjudicated separately;
- 8) Ensure all electronic media documents shall comply with the Electronic Data Interchange standards adopted pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and in accordance with Department approved formats and specifications;
- 9) Ensure the scanning of these documents shall be performed at the Contractor's Sacramento work site and shall be accessible to Department staff. The Contractor must be responsible for the maintenance of the system;

- 10) Provide necessary desks, furniture, equipment, cables, modifications, and modem lines as part of the Contractor's price bid;
- 11) Develop, design, and install the ability and capacity of scanning all accepted documents including claims, TARs, NOAs, returned RTDs, CIFs, appeals, all supporting attachments, and other documents as specified by the Contracting Officer; (Claims/NOAs/TARs/CIFs/RTDs may be submitted by hard copy or via EDI);
- 12) Adhere to the design, development, and implementation requirements outlined in Exhibit A-Attachment III, Change Requirements;
- 13) Modify the Contractor's Document Management Responsibilities as specified in Exhibit A-Attachment II, Operations, Claims Processing Subsystem section;
- 14) Assign a unique DCN, CRN, MRDCN or other identifying number, as appropriate, to each claim, TAR, NOA, RTD, CIF, appeal, and all supporting attachments indicating date of receipt. The date of receipt requirement applies to all documents including Medicare crossover claims. All attachments, including radiographs, must receive the primary document number to ensure a complete record can be retrieved; and
- 15) Original and scanned documents shall be retained as specified in Exhibit A-Attachment II, Operations, Record Retention Requirements.

1.10.7.1.2 STATISTICAL DATA

- 1) The system must be capable of permanently storing the present claims/TAR/NOA/CIF/RTD plus any additional supporting attached documents each year, containing images each ranging from one (1) to four (4);
- 2) The following are the annual volumes based on the General CD-MMIS BILLING Report (CP-0-495 and CP-0-496);

	Claims Media Copy	Claims Hard Copy	TAR Media Copy	TAR Hard Copy
Contract Year One 8/1/1998-7/31/1999	795,768	3,435,757	202,553	857,160
Contract Year Two 8/1/1999-7/31/2000	877,910	3,289,515	188,731	832,249
Contract Year Three 8/1/2000-7/31/2001	891,660	3,550,290	172,775	866,366

Contract Year Four 8/1/2001-7/31/2002	985,580	3,829,515	195,237	943,578
--	---------	-----------	---------	---------

- 3) The system must have the capability for long term (ten (10) years) storage of images.
- 4) It is the Department's intent to minimize the possibility of any interruption in the provision of services to beneficiaries or in the payment of providers during the transition to the new contract. The implementation of the scanning process will start at the beginning of TAR processing.
- 5) The Contractor's technical proposal and price bid shall reflect a schedule that gives specific dates for each major task within the Design, Development & Implementation. When scheduling the work plan, the Contractor shall allow a minimum of ten (10) State workdays for Department acceptance testing. These ten (10) State workdays shall be scheduled and receive Department approval prior to the time required to notify providers of system installation;
- 6) The Contractor shall provide training to the Department and Contractor; and
- 7) The design, development, implementation, and ongoing maintenance and operations are to bid in the Contractor's price for adjudicated claim lines (ACLs) and Treatment Authorization Requests (TARs); however, any work performed by the SG, Contractor staff or any hired Subcontractor shall be deemed non-billable. The SG shall have the lead responsibility for implementing this project.

1.10.7.1.3 REPORTING REQUIREMENTS

The Contractor shall deliver reports to the Department in an agreed upon format that document the design, testing, and installation. These reports shall be presented in separate steps, to be individually approved for design, testing, and installation. The Contractor shall provide the following:

- 1) Technical designs and user desk manuals;
- 2) User training for Department staff prior to implementation;
- 3) On-site technical assistance during the implementation phase and continuing assistance throughout the term of the Contract; and
- 4) Report to the Contracting Officer any performance problems on the system, define the nature of the problem, the nature of the solution, and

describe any corrective measures to prevent the problems' reoccurrence within a forty-eight (48) hour timeframe.

1.10.8 EXPERT WITNESS

1.10.8.1 EXPERT WITNESS PLAN

Three (3) months after the contract effective date the Contractor shall submit, for Department review and approval, a plan for providing expert witness services. This plan shall establish the procedures to be utilized to fulfill the Contractor's expert witness responsibilities. These responsibilities are detailed in Exhibit A-Attachment II, Operations, Expert Witness Requirements. At a minimum, this manual shall include:

- 1) A description of the classification specification(s) that will be utilized for the position(s) assigned to execute the Contractor's expert witness responsibilities. The description shall provide that the employee(s) designated to be chiefly responsible for delivering the Contractor's expert witness services shall be at a management or senior analyst level within the Contractor's firm and shall be a dentist;
- 2) A description of the qualifications to be held by the Contractor's expert witness(es) that includes a list of all prior occasions the proposed expert witness provided expert witness services, to include:
 - a) Parties;
 - b) Case Name;
 - c) Court Name; and
 - d) Subject Matter
- 3) A description of the training plan that will be utilized to ensure that the Contractor's expert witness(es) is/are thoroughly familiar with all aspects of the Contractor's operations under this contract; and
- 4) Provisions for backup expert witness(es) with the same and/or equal qualifications.

1.10.8.2 MANUAL EXECUTION

The Contractor shall:

- 1) Acquire/designate the individual(s) assigned to execute the expert witness responsibilities one (1) week prior to the start up of TAR

processing, which is scheduled to begin seven (7) months and fifteen (15) days after the contract effective date. The Contractor shall transmit the identity, office location, and telephone number of the expert witness(s) to the Contracting Officer five (5) State workdays after the acquisition/designation of the individual(s); and

- 2) Implement all procedures established for the execution of its expert witness responsibilities one week prior to the startup of TAR processing.

1.10.9 FINANCIAL MANAGEMENT

- 1) Three (3) months after the contract effective date, the Contractor shall submit the Financial Management Manual that shall meet the requirements described in Exhibit E - Additional Provisions, Accounting Requirements subsection.

Included in this Manual:

- a) The Contractor shall submit newly developed accounting procedures and processes for meeting the requirements of Exhibit E - Additional Provisions. These procedures and processes shall also classify expenses by Takeover, Operations, Change Orders, Cost Reimbursement, Hourly Reimbursement, Turnover, and each cost reimbursable category of staff, e.g., Systems Group (SG). Each of these major classifications of expenses shall be further broken down by:
 - i. Personnel time reporting;
 - ii. Ordering and paying for goods and services;
 - iii. Cost accounting services;
 - iv. Allocation of expenses not totally dedicated to this contract;
 - v. Accounting ledgers; and
 - vi. Allocation (internal and external) methodologies for cost reimbursement.
 - b) Submit a Cost Reimbursement Plan three (3) months after contract effective date. This plan shall include, at a minimum, a narrative of the Contractor's activities in cost reimbursable areas during Takeover, and the information specified in Exhibit B- Attachment I, Special Payment Provisions.
- 2) Three (3) months after contract effective date, submit updated specifications and report layouts for both the Estimated Expenses and

Actual Expenses Reports, as specified in Exhibit E - Additional Provisions.

1.10.10 OPERATIONS BILLING REPORTS

1.10.10.1 GENERAL OPERATIONS BILLING REPORTS

The Contractor shall:

- 1) Submit specifications and report formats for the development of new reports for ACSLs and TARs using the CD-MMIS CP-0-495, CP-0-496, and CP-0-497, General CD-MMIS Billing Report Format, as required in Exhibit B-Attachment I, Special Payment Provisions, four (4) months after contract effective date, for Department approval; and
- 2) Install for State Acceptance Testing these approved reports six (6) months after contract effective date. No ACSL or TAR billings may occur prior to Department approval and acceptance of these reports.

1.10.10.2 TELEPHONE SERVICE CENTER BILLING REPORTS

- 1) Submit specifications and report formats for the development of new reports for billable minutes using the CD-MMIS CP-0-495, CP-0-496, and CP-0-497, General CD-MMIS Billing Report Format, as required in Exhibit B-Attachment I, Special Payment Provisions, four (4) months after contract effective date, for Department approval; and
- 2) Install for State Acceptance Testing these approved reports six (6) months after contract effective date. No Telephone Service Center (TSC) billings may occur prior to Department approval and acceptance of these reports.

1.10.11 OTHER ADMINISTRATIVE PROCEDURES

The Contractor shall develop any and all administrative procedures required to take over the contract and perform Operations; these include such areas as budgeting and financial areas, personnel, and computer operations. All administrative procedures required for assumption and operation of the CD-MMIS shall be submitted for prior approval to the Contracting Officer during Takeover for prior approval.

1.10.12 ONLINE DATA DICTIONARY

The Contractor shall submit to the Department four (4) months after the contract effective date the Online Data Dictionary Users Guide. The Users Guide shall be oriented toward users of the online Data Dictionary, and shall describe, at a minimum, the following:

- 1) The operation and capabilities of the Data Dictionary;
- 2) Information available to users of the Data Dictionary, and how users access and retrieve this information;
- 3) Examples and explanations of screens encountered by users;
- 4) Information regarding additional assistance available from the Contractor to users during online sessions;
- 5) Glossary and a brief explanation of all commands; and
- 6) Interaction of the Data Dictionary with the rest of the CD-MMIS.

The Data Dictionary Users Guide shall completely describe the Contractor's practices and procedures in updating and maintaining the Data Dictionary, as required in Exhibit A-Attachment II, Operations, Data Processing and Documentation Responsibilities section.

The activities required to install the on-line Data Dictionary shall be incorporated into the Software Installation Plan and the File Installation Plan (See Software Installation Plan and File Installation Plan in this section.)

1.11 SYSTEM TEST**1.11.1 SYSTEM TEST PLAN**

The System Test Plan submitted with the Technical Proposal shall be updated one (1) month after the contract effective date and shall describe the method(s) of testing all manual and automated segments of the CD-MMIS as well as scheduled test dates. System testing of the CD-MMIS shall progressively test each program (unit test), and each job structure, within each CD-MMIS subsystem.

The Contractor's System Test Plan shall:

- 1) Clearly define, uniquely identify, and independently schedule each test to be performed;

- 2) Develop a method to conduct two (2) parallel tests of the CD-MMIS claims and TAR processing functions with the prior contractor. The Contractor shall conduct the second test during the Department Acceptance Test period. The results of these tests shall be reviewed by the Department and shall serve as input to the Department's Acceptance Test decisions on Contractor readiness to assume full operation of the CD-MMIS;
- 3) Define System Test documentation standards; provide for inclusion of initial and subsequent test results and storage of all test documentation in a central location in a manner easily accessible and retrievable by Department monitoring staff;
- 4) Relate tests to CD-MMIS system design documentation and overall contract requirements;
- 5) Review manual, clerical, and operating procedures. Validate Quality Management procedures for setting accuracy and error levels and for monitoring compliance;
- 6) Validate control procedures;
- 7) Identify the number, classification, and names of key staff responsible for each test, including Contractor staff responsible for communication with the Department during System Testing;
- 8) Include actual test situations; and
- 9) Specify the criteria the Contractor will use in determining the completion of each System Test activity.

1.11.1.1 PLAN EXECUTION

The Contractor, with the participation of Department staff, shall execute the Department approved System Test Plan. The Contractor shall continue to provide office space for the ten (10) on-site Department staff during System Testing (see Exhibit E - Additional Provisions). The Department intends to utilize experience from System Testing to streamline and enhance subsequent Department Acceptance Testing of the Contractor's operation of the CD-MMIS.

The Contractor shall execute the Department-approved System Test Plan, make corrections, and keep the Department informed on the status of all tasks and activities identified in the plan.

During System Testing the Contractor shall:

- 1) Execute tests with predetermined sets of data; track processes performed; and verify actual, against expected, results;
- 2) Test each CD-MMIS subsystem. At a minimum, include tests to:
 - a) Verify all edits, audits, and production of Paid Claims Tapes, etc;
 - b) Assure that programs conform to CD-MMIS specifications;
 - c) Validate links between programs and subsystems;
 - d) Validate the operating environment of the CD-MMIS;
 - e) Confirm operating performance;
 - f) Verify that on-line response times meet Department-specified requirements under load;
 - g) Execute each job in CD-MMIS to verify clarity of operating procedures;
 - h) Use actual claim/TAR/NOA data during System Testing;
 - i) Test generation of all CD-MMIS reports;
 - j) Monitor execution of all other procedures including, but not limited to, input preparation, control functions, all types of data entry, claim/TAR/NOA/CIF processing, RTD processing, clinical screening, share-of-cost, checks, and recoupments;
- 3) Develop and conduct two (2) live parallel tests of claims, (including payment), and TAR processing functions that parallel the prior contractor's processing functions, one to be conducted during Systems Testing and the other during the Department Acceptance Testing Phase of Takeover. If either or both of these tests fail to show the Contractor is capable of processing claims with the same results as the prior contractor or if the Contractor encounters problems, the test(s) shall be rerun until the Department approves the results;
- 4) Simulate disaster conditions and execute recovery procedures, including availability and use of the backup facility(ies);
- 5) Test the on-line Data Element Dictionary (DED);
- 6) Conduct weekly walkthroughs for Department staff in Sacramento and, at the same time, discuss and identify;
 - a) Areas of unacceptable performance;

- b) Corrective action(s) to be taken; and
 - c) Areas where performance is acceptable.
- 7) Develop methodologies and procedures for identifying and tracking areas of unacceptable performance and the corrective action process(es) applied to deficiencies. These methodologies procedures shall include steps for Department review and approval during the problem identification/tracking and corrective action processes, and provisions for daily written notification to the Department when problems are identified;
 - 8) Walkthroughs and documentation from the Contractor executed System Testing shall thoroughly show the results of each test and will be submitted to the Department no later than one week after the test. Additional documentation and related materials requested by the Department shall be provided no later than twenty-four (24) hours after the request. Systems Testing must be completed by the end of four (4) months after contract effective date
 - 9) Prior to Department Acceptance Testing, resolve inconclusive or incomplete areas of System Testing identified by the Department;
 - 10) By the end of four (4) months and fifteen (15) days after the contract effective date, before Department Acceptance Testing, through written notice to the Department:
 - a) Certify preparedness to begin full CD-MMIS Operations; and
 - b) Provide a report detailing System Test results and supporting the readiness of the CD-MMIS for Department Acceptance Testing.
 - 11) If the Department does not approve the System Test results, continue its System Tests as directed by the Department.
 - 12) Completion of System Testing is subject to written Department approval. The Contractor may continue its System Testing after the date of Contractor certification to the Department of readiness of the CD-MMIS for Department Acceptance Testing, and/or the date of written Department approval of Contractor completion of System Testing. The second of two (2) required parallel tests shall be performed by the Contractor concurrently with Department Acceptance Testing. Any changes made by the Contractor shall be identified, systems tested following the rules/guidelines of this section, and moved into Acceptance Testing after approved by the Department.
 - 13) All deficiencies found by the Contractor during installation of the CD-MMIS, or System Testing, shall be fully documented by the Contractor to the Contracting Officer. The Contracting Officer shall determine

whether a deficiency exists and, if so, whether the deficiency is the Department's responsibility. If the deficiency is determined to be the Department's responsibility, the Contracting Officer shall determine whether the prior Contractor can implement the change or whether the Contractor should implement the change. If it is determined that the Contractor can correct the deficiency for which the Department is responsible, the work shall be performed by the Systems Group and shall be billable to the Department. The Contractor shall correct all known CD-MMIS deficiencies prior to completion of System Testing.

- 14) Upon completion of System Testing, accept the CD-MMIS "as is" and is responsible thereafter for any pre-existing system deficiencies.
- 15) Be responsible for making the CD-MMIS fully operational in accordance with time frames required in this contract.

1.11.1.2 DEPARTMENT SYSTEM TESTING RESPONSIBILITIES

The Department shall approve, if acceptable, a System Test Plan that shall provide for adequate and comprehensive System Testing of the CD-MMIS. The Department may participate in System Testing and assist in identifying deficiencies, and shall review and approve Contractor preparedness, if acceptable, for Department Acceptance Testing. The Department shall be able to closely review the Contractor's system test and results and use these results and the results of the second parallel test to determine the Contractor's readiness for assumption of claims processing. The Department will act as liaison between the prior contractor and the Contractor to ensure that all the appropriate CD-MMIS software, files, and documentation are provided to the Contractor.

1.12 ACCEPTANCE TESTING

1.12.1 ACCEPTANCE TEST SUPPORT PLAN

The Contractor shall submit an Acceptance Test Support Plan to the Department for review and approval five (5) months after contract effective date.

The Department Acceptance Testing Plan shall:

- 1) Be made available to the Contractor four (4) months and fifteen (15) days after contract effective date, and the Contractor's Acceptance Test Support Plan shall accommodate requirements included in the Department's plan.

- 2) Describe the CD-MMIS Acceptance Test support that the Contractor shall provide to the Department based on the Contractor responsibilities described in this section. For each test described below, the Contractor resources allocated to the test shall include staffing by organizational unit, computer hardware, and support equipment.
- 3) Include a full description of how the Contractor shall perform and fulfill its backup and recovery responsibilities in compliance with all requirements of this Contract.

1.12.2 GENERAL RESPONSIBILITIES

- 1) Begin Department Acceptance Testing five (5) months fifteen (15) days after contract effective date. Department Acceptance Testing will follow completion of System Testing, certification by the Contractor that the CD-MMIS is ready for Acceptance Testing, and Department review of the Contractor's System Test results. The Contractor shall continue to provide office space for the ten (10) on-site Department staff during Department Acceptance Testing.
- 2) Department Acceptance Testing will place emphasis on the proficiency of the Contractor's staff in performing CD-MMIS automated and manual procedures, and on the adequacy of the Contractor's computer resources. Acceptance Testing will ensure that the Contractor can maintain at least the same level of accuracy within the automated and manual processing portion of the CD-MMIS as maintained by the prior contractor. Contractor CD-MMIS Operations shall not be permitted until the Department approves, in writing, completion of Department Acceptance Testing.

1.12.2.1 DEPARTMENT RESPONSIBILITIES

The Department may continue testing the CD-MMIS software after the assumption of Contractor CD-MMIS Operations beginning with the startup of TAR processing seven (7) months and fifteen (15) days after contract effective date, and full Contractor CD-MMIS Operations the first day of month ten (10) following contract effective date in order to identify and ensure correction of any remaining CD-MMIS deficiencies, or as part of the Department's ongoing monitoring of the Systems Group testing. This is necessary to ensure that state and federal goals for accuracy, efficiency, and policy conformance shall be met. Upon completion of the Takeover Acceptance Testing, the Contractor shall maintain and make those test files available to Department staff for Acceptance Testing of system changes during the Operations Period of this contract.

The Department shall conduct Acceptance Testing to ensure that:

- 1) The Contractor has correctly and completely installed the CD-MMIS; and
- 2) The Contractor is adequately prepared for assumption of full CD-MMIS Operations, and for the startup of TAR processing seven (7) months and fifteen (15) days after the contract effective date.

1.12.2.2 CONTRACTOR RESPONSIBILITIES

- 1) The Contractor shall execute all Department Acceptance Tests as directed by the Department. Acceptance Testing of both manual and automated processes shall be comprehensive based on the following objectives:
 - a) Ensure the transferred system processes claims in accordance with contractual requirements and that any differences between the Contractor's results and the results from the existing incumbent system can be explained as a higher level of compliance with these requirements;
 - b) Ensure that integrity has been maintained with regard to established standards and acceptable data processing techniques;
 - c) Ensure a smooth transition of all CD-MMIS Operations at startup of TAR processing and assumption of claims processing while ensuring that the transition remains as transparent to providers, beneficiaries, and system users as is possible;
 - d) Ensure that the Contractor's operation of the CD-MMIS is ready for startup of TAR processing seven (7) months and fifteen (15) days after contract effective date and all remaining functions at the assumption of claims processing;
 - e) Identify where the CD-MMIS does not conform to program policies and procedures in order to ensure correction of any system deficiencies; and
 - f) Conduct its second of two (2) parallel tests of the CD-MMIS claims and TAR processing functions with the prior contractor during the Department's Acceptance Testing period. The results of both tests shall be reviewed by the Department and shall serve as input to the Department's Acceptance Test decisions on Contractor readiness to assume full operation of the CD-MMIS (see requirements below). If either or both of these tests fail to show the Contractor is capable of processing claims with the same results as the prior contractor or if the Contractor encounters

problems, the test(s) shall be rerun until the Department approves the results.

1.12.3 ACCEPTANCE TESTING TASKS

1.12.3.1 DEPARTMENT TASKS

- 1) Define Acceptance Testing criteria;
- 2) Develop a detailed Acceptance Test Plan (including time frames for each task);
- 3) Prepare comprehensive Acceptance Test cases and describe expected results. These test documents, developed from the test cases, will be provided to the Contractor. The Department will require that the Contractor develop most base file data; and
- 4) Upon satisfactory completion of Acceptance Testing, the Department shall approve full operation of the CD-MMIS by the Contractor and shall retain Acceptance Test documentation for future reference. The Department may approve portions of the CD-MMIS for Operations and require additional testing of the remaining functions.

1.12.3.2 CONTRACTOR TASKS

- 1) Review the Department Acceptance Test Plan and shall ready all elements of facilities, staff, hardware, software, and other resources required for Department Acceptance Testing including the initialization of all files and tables prior to the start of Acceptance Testing.
- 2) For both the period of Acceptance Testing and for the period of ongoing Operations under the contract, the Contractor shall provide a separate testing unit to provide ongoing testing capabilities and support to the Department. This testing unit shall include all necessary resources to support such a unit including, but not limited to, adequate hardware, software, physical facilities and knowledgeable personnel.
- 3) Perform Acceptance Test functions as directed by the Department within the time frames established by the Department. The Contractor shall maintain open communication with the Department during testing, and shall provide walkthroughs to Department staff on specified tests, upon request.
- 4) Deliver or make available to the Department all Acceptance Test documentation, including files, reports and individual claim, eligibility and TAR data necessary to validate test results. These materials shall

be provided to the Department no later than one (1) State workday following test execution. The Contractor shall provide to the Department a list of such test documentation each week.

- 5) Permit the Department to observe the tests, analyze results, and document any problems that are found.
- 6) Within twenty-four (24) hours, respond to, and correct, all problems identified by the Department as a result of the Acceptance Testing. The Contractor shall repeat Acceptance Testing until criteria defined by the Department are satisfied;
- 7) Upon completion of Takeover Acceptance Testing, maintain the Acceptance Test environment to reflect those of the production environment. These Acceptance Test files, programs, etc. will be used to conduct Acceptance Testing of all system changes that occur during the Operations Period of this contract;
- 8) For the entire Takeover Acceptance Test period as well as the Operations Period of the contract:
 - a) Provide a separate test environment for Acceptance Testing purposes;
 - b) Create a Provider Master File of test providers for Acceptance Testing purposes only;
 - c) Create and maintain test history files for beneficiaries for Acceptance Testing purposes only, and ensure TAR files are also included and available for testing;
 - d) Create Acceptance Test reference files as needed for testing, modify these files through Acceptance Test Dental Operating Instruction Letters (DOILs), and ensure TAR files are also included and available for testing;
 - e) Specify migration schedule for program “fixes” from the System Test environment to the Acceptance Test environment and migrate only after Department approval; and
 - f) Create and maintain Acceptance Test Fiscal Intermediary Access to Medi-Cal Eligibility (FAME) and other support files according to Department direction.

1.12.4 ACCEPTANCE TEST STRUCTURE

All Acceptance Testing on manual and automated segments of the Contractor's operation of the CD-MMIS shall be performed thoroughly with the same equipment to be used for full Operations.

The Contractor shall:

- 1) Ensure staff with appropriate classifications and training to support CD-MMIS testing shall be in place prior to the start of Department Acceptance Testing. Management or technical staff may not be used for manual operations processing activities;
- 2) Ensure staff shall be required to demonstrate adequate proficiency in performing assigned tasks. The Department will prepare a checklist of CD-MMIS tasks to be demonstrated;
- 3) Perform volume and stress tests, and the parallel test as directed by the Department, to demonstrate the ability to process expected CD-MMIS workloads accurately within prescribed time frames;
- 4) Where resources permit, ensure tests shall be scheduled concurrently so that Department Acceptance Testing can progress more rapidly;
- 5) Permit Department staff to access any CD-MMIS facility, equipment, software, files, and other materials covered by this contract, in support of any tasks related to CD-MMIS testing. Such access shall include the use of on-line terminals to access any CD-MMIS related data; and
- 6) Assume and submit its bid based on the Department relying heavily upon the two parallel tests and a detailed analysis of the results by the Contractor and minimal Department submission of test claims.

The Department reserves the right to:

- 1) Take the primary role in the evaluation of Acceptance Testing. The Contractor shall participate in the evaluation as directed by the Department. The evaluation process will compare expected results against the actual test results. Any problems found during testing shall be resolved as described in this Takeover section;
- 2) Reduce the scope of Department Acceptance Testing if the Contractor can adequately demonstrate preparedness for CD-MMIS Operations; or Expand levels of testing where the Department determines additional testing is needed; and
- 3) Continue CD-MMIS testing and monitoring until all testing System Variance Reports (SVRs) identified during Acceptance Testing have been resolved. The Contractor shall provide all necessary support.

The Department shall prioritize any problems identified by these tests. All deficiencies are to be corrected by the Contractor.

1.12.5 ACCEPTANCE TEST CATEGORIES

Each main category of Department Acceptance Testing shall be subdivided into segments to provide for selecting tests of all elements therein as defined in the detailed Acceptance Test Plan. The main categories and related general Acceptance Test activities (sample proposed Acceptance Tests) are described as follows:

- 1) Subsystem Tests
 - a) Each CD-MMIS subsystem described in Exhibit A-Attachment II, Operations, Operations Requirements section shall be thoroughly tested; and
 - b) Each CD-MMIS non-mainframe system described in this Takeover section shall be thoroughly tested to ensure each process is operating as designed.
- 2) Manual Operations
 - a) Manual operations includes, but is not limited to: input preparation, data entry, Claim/TAR/NOA/CIF/RTD/TAR re-evaluation processing, professional review, clinical screening, recoupment, accounts receivable, claims control and Share-of-Cost; and
 - b) Input preparation shall be tested from receipt of all inputs in the mailroom through sorting, batching, numbering, scanning, and controlling, to submission to data entry. Outputs from data entry shall be examined. All manual processes such as Claim/TAR/NOA/ RTD/TAR reevaluation/CIF processing, professional review, etc., shall be tested. Input and/or output activities and functions performed by Provider Operations or any other Contractor organizational unit shall be included in the Manual Operations Acceptance Testing process.
- 3) Automated Processing
 - a) Automated Processing includes all on-line automated processes performed on the Contractor's computer and all processing of EDI documents from receipt through adjudication. Comprehensive systems tests shall be conducted on all CD-MMIS subsystems; and

- b) All transactions supported by the CD-MMIS shall be tested with both valid and invalid data. All forms of input data and processing cycles shall be tested to ensure that appropriate files are updated. Files, reports, and screens produced by each process shall be examined for conformity to design requirements.

4) Technical Operations

- a) Technical Operations includes all factors associated with computer job submission, and operation/maintenance of the Contractor's computer equipment and operating system software. This category also includes simulated testing of the Department's network interface with the Contractor's Data Center; and
- b) Manual procedures may be analyzed, operator logs shall be reviewed, and general Operations tests may be run. The ability of the Contractor to adequately perform the required work may be evaluated by the Department.

5) Data Dictionary

The Data Dictionary shall be operational during Department Acceptance Testing to provide support to this activity for both Contractor and Department staff.

6) Provider Services

The Contractor's Provider Services includes activities such as retrieval of claim copies, claims research, responding to and researching Department and provider correspondence, telephone response, Department/Contractor interfaces, (including interfaces with other Department governmental organizations), and support materials/equipment. Provider Services activities may be tested to determine that the Contractor's staff is prepared to perform appropriate service activities.

7) Administrative/Fiscal Responsibilities

- a) Administrative/fiscal responsibilities include such functions as accounting, accounts receivable, auditing, project control/standards, quality management, security and confidentiality, and administrative functions at the Contractor's organization.
- b) The Department may analyze the Contractor's ability to perform administrative and fiscal responsibilities associated with operating CD-MMIS.

1.12.6 SELECTED ACCEPTANCE TESTS

Selected tests shall be incorporated into Department Acceptance Tests and shall be structured as listed below.

1) Evaluation of Manuals

The Contractor shall demonstrate that all manuals required for the CD-MMIS are available, current, complete, and adequate for the Contractor's environment. The Department shall evaluate all procedure, training, and any other CD-MMIS manuals.

Assumptions:

- a) For those manuals needing development and/or revision, the Contractor shall provide the Department with new or updated CD-MMIS manuals by the start of Acceptance Testing. The Contractor shall, concurrently, provide to the Department a list of those manuals requiring no development and/or revisions;
- b) For each CD-MMIS manual, key Contractor staff from organizational units affected by the manuals shall provide walkthroughs to Department staff;
- c) The Contractor shall provide to Department staff sufficient copies of the manuals or other Department-approved presentation materials for the walkthroughs; and
- d) The Contractor shall update any CD-MMIS manual(s) found to be inadequate by the Department within time frames specified by the Department.

2) General CD-MMIS Accuracy Tests

The Department shall provide the Contractor with documents designed primarily to test the edits, audits, updates and on-line applications for the various CD-MMIS subsystems, and non-mainframe systems. Invalid data will be used to check the accuracy of rejection and error notification routines. Valid data will be used to ensure that transactions meeting the edit/audit criteria result in appropriate actions, such as file(s) updates, claim(s) approval/denial, and claim(s)/TAR(s) payments.

The Contractor shall execute the CD-MMIS Accuracy Tests as directed by the Department. Daily and weekly processing shall be run two (2) times a week and each cycle shall typically be organized with less than one hundred (100) documents to provide better control over test evaluations. However, the Department may elect to use more than one hundred (100) documents.

Assumptions:

- a) All CD-MMIS software shall be fully installed before the start-up of Department Acceptance Testing;
- b) Key Contractor staff from each organizational unit shall be allocated for this series of Accuracy Tests;
- c) Sufficient Contractor staff of adequate proficiency shall be allocated to enable turnaround of Department-submitted tests within the timelines defined in this RFP;
- d) Sufficient computer hardware and other support equipment shall be allocated to ensure turnaround of the tests within the timelines defined in this RFP;
- e) This series of tests shall consist of individual tests of manual and automated processes;
- f) Contractor staff shall be prepared to perform timely correction of any CD-MMIS deficiencies that are found;
- g) Any portion of the CD-MMIS affected by deficiencies shall be subject to retesting; and
- h) This series of Accuracy Tests shall be successfully satisfied when the Department is confident of CD-MMIS accuracy.

3) On-Line Functions Test

Department and Contractor staff shall enter transactions supported by the CD-MMIS line terminal entry. Transactions shall be submitted to test all variations of input. Input and Output screens shall be checked, and outputs required by transactions requests shall be produced;

Contractor staff proficient with the Reference, Provider and S/URS Subsystems shall be allocated for this On-Line Functions test.

This test shall:

- a) Include all forms of online inquiries, provider updates and correspondence, S/URS functions, report requests, etc; and
- b) Be designed for the on-line entry of data used to test the Provider and S/URS Subsystems in the General CD-MMIS Accuracy Tests.

4) Contractor Staff Proficiency Test

The Department shall provide the Contractor with no more one hundred (100) computer media submissions with no more than ten thousand (10,000) claim lines to be processed for this test. The documents and computer media submissions shall include a wide variety of documents normally processed through the CD-MMIS. The Contractor's staff shall demonstrate proficiency in the submission, operation, and result checking from all types of automated processing.

The Contractor's staff shall demonstrate proficiency in corresponding with providers and Department staff in a variety of situations. Department staff may take provider roles for the test.

Assumptions:

- a) Key Contractor staff from each organizational unit shall be allocated for this test;
- b) Sufficient Contractor staff of adequate CD-MMIS proficiency shall be available to ensure test completion within three (3) State workdays;
- c) Sufficient computer hardware and support equipment shall be allotted to ensure turnaround for this test within the timelines defined in this RFP;
- d) This test shall include both manual and automated processes; and
- e) This test will be satisfied if completed on a timely basis and Department evaluation shows that expected results were achieved. The Department may repeat this test if results are not satisfactory.

5) Volume, Stress, and Parallel Tests

The Department shall provide the Contractor with documents or computer tapes to simulate some or all of a full day's worth of CD-MMIS production processing. The documents will represent typical situations. The Contractor shall demonstrate the ability to process the documents, from start to finish, within specified time limits. The Contractor, as directed by the Department, shall also execute other existing CD-MMIS processing, such as MARS and SURS.

The Department will require that the Contractor perform two parallel tests of the CD-MMIS before the Contractor begins CD-MMIS Operations with the startup of TAR processing seven (7) months and fifteen (15) days after contract effective date. The Contractor shall conduct the first test during System Testing while the second of the two (2) parallel tests shall be conducted during Department Acceptance Testing. The results of both tests shall be reviewed by the Department

and will be utilized to assist the Department's Acceptance Test decisions on Contractor readiness for assumption of full operation of the CD-MMIS.

If either or both of these tests fail to show the Contractor is capable of processing claims in accordance with contract requirements, with the same results as the prior Contractor, or if the Contractor encounters problems, the test(s) shall be rerun until the Department approves the results. The Contractor shall perform and analyze tests that shall each duplicate the prior Contractor processing of one (1) daily and one (1) weekly cycle, including financial payment and checkwrite. These tests shall compare the prior Contractor operation and Contractor operation at each stage of processing. (i.e., compare output from at least each program in daily, weekly, and financial cycles.)

Assumptions:

- a) Key Contractor staff from each organizational unit shall be allocated for this test;
- b) Sufficient Contractor staff of adequate CD-MMIS proficiency shall be available to ensure test completion within three (3) days. The Contractor shall be prepared to handle daily, weekly, and monthly volumes for evaluation purposes;
- c) Sufficient computer hardware and support equipment shall be allotted to ensure turnaround for this test within the timelines defined in this RFP;
- d) The Contractor shall install parallel CD-MMIS files to perform the parallel tests;
- e) This test shall include automated processes;
- f) This test shall be satisfied if completed on a timely basis as agreed to by the Contractor and the Department, and Department evaluation shows that expected results were achieved. The Department may repeat this test if results are not satisfactory; and
- g) The Contractor shall compare the output of each test and determine any discrepancies that exist and the source of those discrepancies.

6) Security and Confidentiality Test

The Contractor shall demonstrate how the security and confidentiality requirements contained in the Security and Confidentiality Plan and procedures have been met in their Security and Confidentiality Plan and shall show how developed procedures ensure contract compliance.

The Contractor shall visibly demonstrate, to the Department, the existence of these factors within the Contractor's facilities.

Assumptions:

- a) The Department shall prepare a comprehensive checklist of factors from the Security and Confidentiality Plan;
- b) The Contractor shall provide walkthroughs to Department staff on all security and confidentiality factors, including but not limited to off-site storage of required documents and backup and recovery facilities;
- c) The Contractor shall provide a facility tour to demonstrate all visible security factors for Department staff;
- d) The Contractor shall apply corrective action(s) to any Security and Confidentiality factors the Department determines to be inadequate; and
- e) This test shall be satisfied if completed on a timely basis as agreed to by the Contractor and the Department and Department evaluation shows that expected results were achieved. The Department may repeat this test if results are not satisfactory.

1.12.7 ACCEPTANCE TEST EVALUATION RESPONSE

- 1) Each problem identified by the Department shall be described in a SVR or Request for Information/Clarification (RIC), which shall be assigned and logged using unique control numbers for reference. The Department will include appropriate information to identify where the problem occurred and explain differences between expected and actual results;
- 2) The Contractor shall provide the Department with a written response to each SVR/RIC within two (2) State workdays, unless otherwise approved by the Department;

The response shall include:

- a) A summary analysis of the SVR/RIC;
 - b) Programs which are affected; and
 - c) A time frame for correction and resolution of each problem.
- 3) The Department shall:

- a) Review and approve/disapprove the proposed resolution; and
 - b) Determine the priorities for the system corrections.
- 4) All deficiencies found during Department Acceptance Testing shall be corrected prior to the start of CD-MMIS Operations, which begins with the startup of TAR processing seven (7) months and fifteen (15) days after contract effective date, unless otherwise approved by the Contracting Officer. The Contracting Officer will review those deficiencies caused by the incorrect computer applications of policy. If any of these deficiencies are determined by the Contracting Officer to be a Department responsibility, and if the Department is unable to make the correction, the Contractor shall be responsible for correcting the deficiency; and
 - 5) The Contractor shall, at the Department's option, be required to repeat specified Department Acceptance Tests as a result of modifications applied by the Contractor in the resolution of SVRs/RICs.

1.12.8 ACCEPTANCE DECISIONS

- 1) Prior to the start of Contractor operation of the CD-MMIS, which begins with startup of Contractor TAR processing seven (7) months and fifteen (15) days after the contract effective date, the Department will use Acceptance Test results to determine if the Contractor is ready to begin TAR processing and to start claims processing. If the Contractor is not ready, Acceptance Testing and Contractor corrective actions shall continue. If, in the Department's judgment, the Contractor is not ready to begin the startup of TAR processing or is likely to not be ready for claims processing, the startup of TAR processing and claims processing shall be delayed for whatever period of time is needed for the Contractor to pass Department Acceptance Testing;
- 2) Written Department approval of Contractor readiness for assumption of claims processing shall be provided to the Contractor prior to the assumption of claims processing; and
- 3) After the Department's decision, the Contractor shall notify providers through Department-approved provider bulletins about the Department's decision and submission requirements.

1.13 ASSUMPTION OF CD-MMIS OPERATIONS

This section discusses the transfer processes to take place during the assumption of TAR and claim processing. This time frame overlaps Operations, which will also be in effect during this time period. The Contractor shall be prepared to process TARs and claims at the time of

transfer from the previous contractor. To make the transition orderly and smooth, the Contractor shall be adequately staffed in accordance with the proposed staffing plan to begin the processing of TARs and claims. The Contractor shall be prepared for the processing of the transferred inventory, including but not limited to, records, claims history, and accounts receivable.

1.13.1 ASSUMPTION OF CD-MMIS

- 1) The assumption task shall commence on the first day of the tenth (10th) month after the contract effective date and end with the completion of Takeover, which shall occur no earlier than the end of the fifth (5th) day of the sixteenth (16th) month following contract effective date (ending concurrently with the completion of Runout Processing of the prior Contractor's contract and the completion of the transfer of residual inventory and file transfer);
- 2) On the first day of Assumption of Claims Processing, a date-of-service transfer of claim/NOA processing responsibilities and functions shall occur from the prior Contractor to the Contractor; and
- 3) Claims/NOAs for services provided on or after the first day of the tenth (10th) month following contract effective date. The determination of which Contractor shall process a claim/NOA with multiple dates of service(s) shall be made based upon the last date of service on the claim/NOA as defined below. Split billing of claims/NOAs by providers shall not be required. At the end of the Assumption period (the completion of the Runout Processing Phase), residual inventory, regardless of dates of service, shall be transferred from the prior Contractor to, and processed by, the Contractor.

1.13.2 OVERLAPPING PROCESSING TIMEFRAMES

STEP	CONTRACTOR	PRIOR CONTRACTOR
1	Startup of TAR processing starts seven (7) months and fifteen (15) days after the contract effective date and ends the first day of month ten (10) (assumption of claims processing).	Runout Startup the last two (2) months of the prior contractor's pure premium period (PPP).

a	Monday following Startup on date of receipt basis receive TARs requiring clinical screening.	Monday following the fifteenth (15 th) day of Runout Startup on a date of receipt basis transfer TARs requiring clinical screening.
b	Eight (8) months and eleven (11) days after contract effective date. Date of receipt cutover for remaining TARs	Eleventh (11 th) day of month two (2) of Runout Startup date of receipt transfer of remaining TARs
c	Last day of month nine (9) after contract effective date receive residual TAR inventory.	Last day of month two (2) of Runout Startup transfer TAR residual inventory.
2	Assumption of claims processing starts the first (1 st) day of month ten (10) after the contract effective date and ends the fifth (5 th) day of month twelve (12)	Runout processing the six (6) months immediately following the PPP for which the prior contractor is responsible for processing CD-MMIS documents with date of service exclusively through the last day of the PPP.
a	First (1 st) day of month ten (10) start claims processing based on date of service.	Last day of month six (6) after contract effective date is last date of service for the prior contractor responsibility. (Also last day of Runout Startup.)
b	During first six (6) months of Operations (end of contract month fifteen (15)), edit claims for the prior contractor processing responsibility and forward to the prior contractor. Transfer PMF and claims data to the prior contractor.	The prior contractor Runout Processing for six (6) months of Runout processing.

c	First day of month sixteen (16) stop editing claims for the prior contractor responsibility and process all claims. Fifth (5 th) day of month sixteen (16) after contract effective date receive residual claim inventory and records from The prior contractor. Earliest end date for Takeover.	Fifth (5 th) day of month seven (7) following end of Pure Premium Period transfer residual claims, if any, and records to Contractor.
3	N/A	Contract Closeout the nine (9) months immediately following the end of runout processing which is fifteen (15) months following end of PPP.

1.13.3 STARTUP OF TAR PROCESSING

Seven (7) months and fifteen (15) days after the contract effective date the Contractor shall begin processing TARs. The time period called Startup of TAR processing shall be from this point to the start of claims processing. With the startup of Contractor TAR processing activities, the following requirements exist relative to CD-MMIS processing responsibilities:

- 1) For the first part of the period in which the Contractor has begun processing TARs, the prior Contractor will also receive and process TARs. Providers will be given the option to request from the Contractor authorization for services beginning the first day of startup of TAR processing or to continue submitting TARs to the prior Contractor.
 - a) On the Monday following the startup of TAR processing, on a date of receipt basis, the prior Contractor will transfer to the Contractor all TARs which may require clinical screening;
 - b) Beginning eight (8) months and eleven (11) days following contract effective date, the prior Contractor (under its current contract), will cease processing TARs on a date-of-receipt basis and forward all TARs received from that day forward to the Contractor. The Contractor shall process all TARs received from then onward. This date-of-receipt transfer will include any CIFs related to TARs and any requests from reconsideration or extension of time for NOAs submitted to the Contractor; and
 - c) One (1) day prior to assumption of claims processing, the Contractor shall receive all residual TAR inventory from the prior Contractor and shall receive, install, maintain and process that residual inventory (see below for residual inventory requirements).
- 2) Beginning with the first day of TAR processing, and continuing through the day prior to assumption of claims processing, any NOA generated

by the Contractor which authorizes performance of services shall have an authorization effective date of the first day of claims processing under this contract. In other words, the provider shall be required to perform the service(s) on or after the Contractor's first day of claims underwriting liability. Beginning with the first day of claims processing, the authorization effective date shall be the system-generated day of approval;

- 3) Until eight (8) months and eleven (11) days following contract effective date, the Contractor shall transmit to the prior Contractor any prior Contractor-generated NOA received from a provider that requests a reconsideration of denied lines on the NOA. For the remaining period of time prior to assumption of claims processing and thereafter, the Contractor shall process prior Contractor-generated requests for reconsideration or extension of time documents.

1.13.3.1 CONTRACTOR RESPONSIBILITIES

The Contractor shall:

- 1) Address how cycle time requirements will be met during the assumption period and ensure that no backlogs arise in the area of data entry, input preparation, claim adjudication, and appeals processing;
- 2) Process tracer CIFs received by the Contractor but for TARs submitted to the Contractor during this early TAR processing period. Tracer CIFs for TARs still being processed by the prior Contractor shall be transferred to the prior Contractor until the start of claim processing. All CIFs shall be redirected to the prior Contractor within three (3) State workdays of their receipt;
- 3) Implement Clinical Screening requirements with the startup of TAR processing. Beginning on the first Monday following startup of TAR processing, the Contractor shall receive and process from the prior Contractor (on a daily basis), all newly received TARs with procedures that may require Clinical Screening. If, during the time period the prior Contractor is forwarding TARs requiring Clinical Screening, but not all TARs, the Contractor receives a TAR from the prior Contractor not requiring Clinical Screening the Department should be notified to resolve as to who processes the TAR;
- 4) Process misdirected mail (such as, but not limited to, RTDs, CIFs, NOAs, claims, correspondence, returned checks, appeals, etc.) which belongs to the prior Contractor, and shall receive misdirected mail from the prior Contractor;

- 5) Establish new Post Office Boxes and toll-free telephone numbers one (1) month prior to the startup of TAR processing, and shall ensure that providers and beneficiaries are informed of any changes;
- 6) Receive one (1) day prior to the assumption of claims processing under this contract, any processing residual TAR and TAR-related inventory from the prior Contractor. The Contractor shall describe how it will uniquely identify this residual inventory, such as flagging the system and recording a new date of receipt for cycle time calculations. The date of receipt from the prior Contractor shall be used as the beginning date for calculating cycle time. This residual inventory shall include, but not be limited to, the following:
 - 1) TARs entered into the system and still in process;
 - 2) Incomplete Clinical Screening transactions;
 - 3) RTDs awaiting key entry to the system;
 - 4) NOAs requesting reconsideration of denied line(s) or extension(s) of time; and
 - 5) CIFs (TAR Tracers)
- 7) Ensure transfer of microfilm for TARs from the prior Contractor to the Contractor also occur one (1) day prior to the assumption of claims processing activities;
- 8) Identify duplicate requested services authorized by both the Contractor and the prior Contractor during the TAR processing overlap, and take appropriate action to resolve the duplication of NOAs. The Contractor shall produce a weekly report beginning seven (7) months and fifteen (15) days after the contract effective date and continuing through month sixteen (16) that lists each duplicate authorization and the provider(s) requesting services. The format for this report shall be designed and submitted to the Department for review and approval ten (10) weeks after contract effective date.
 - a) If the duplication involves different providers, call each provider to determine who will provide services and then cancel the NOA issued to the provider who will not perform services. If no services have been provided and the providers are uncertain as to who will provide the services, the most recent NOA shall be canceled;
 - b) If the NOAs are issued for the same provider, telephone the provider and inform him/her that the last NOA issued will be canceled and when requesting payment to submit the first issued NOA;

- c) In either instance, follow up the telephone contact with a letter of cancellation and also change the system to show the NOA has been canceled; and
- d) The report shall at a minimum contain the following elements:
 - i. DCN;
 - ii. Provider Name and Number;
 - iii. Beneficiary Name;
 - iv. Date(s) NOAs issued; and
 - v. Date NOA canceled.
- 9) Assist providers who are submitting documents to the incorrect contractor or who are having difficulty determining who has the document.

1.14 TWO-WAY FILE TRANSFER

Two-way file transfer is a process by which the prior Contractor transfers all files necessary for CD-MMIS Operations to the Contractor as described in Exhibit A-Attachment IV, Turnover and Runout Requirements of the current the prior contractor contract, and by which the successor Contractor installs these files necessary for the assumption of CD-MMIS Operations in accordance with the requirements in this section. The Contractor shall test the Two-Way File Transfer for both the System Test and production environments. This testing shall begin two (2) and one-half months prior to startup of TAR processing and shall continue, if necessary, throughout the entire two-and-one-half month period immediately preceding startup of TAR processing under this contract. The Contractor shall use the record containing the date created to identify which contractor created the file. Two-way file transfer shall be implemented seven (7) months, fifteen (15) days after contract effective date.

1.15 FILE MAINTENANCE

As provided in File Installation, the Contractor shall maintain all files including receipt of data from the prior Contractor through the end of the prior Contractor's Runout Processing period.

Beginning with the startup of TAR processing and continuing through the six (6) months immediately after the first day of claims processing (paralleling the prior Contractor's Runout Processing period), the Contractor shall also provide the prior Contractor with weekly processing information and data

including, but not necessarily limited to, adjudicated TAR history and TAR receipts.

The Contractor shall, at the time of receipt of processing data from the prior Contractor, uniquely identify each transaction as the prior Contractor-processed. This shall be done to minimize negative impact to many production reports and provide a smoother transition for system users. For S/URS reporting activities, the combined data from both this contract and the prior Contractor's contract shall be utilized; all other reports produced by the Contractor (e.g., MARS) shall reflect only data relative to documents being processed or adjudicated by the Contractor.

1.16 ASSUMPTION OF CLAIMS PROCESSING

On the first day of the tenth (10th) month after contract effective date, the Contractor is scheduled to assume claims/NOA processing with this date of service onward. With Contractor assumption of claims/NOA processing activities, the following requirements exist relative to CD-MMIS processing responsibilities:

- 1) The Assumption of Claims Processing task shall commence on the first day of the tenth (10th) month after contract effective date and end with the completion of Takeover which shall occur no earlier than the fifth day of the sixteenth (16th) month following contract effective date (ending concurrently with the completion of Runout Processing of the prior contractor's contract and the completion of the transfer of residual inventory and file transfer);
- 2) On the first day of Assumption of Claims Processing, a date-of-service transfer of claim/NOA processing responsibilities and functions shall occur from the prior contractor to the Contractor. Claims/NOAs for services provided on or after the first day of the tenth (10th) month, following contract effective date shall be processed by this Contractor. The determination of which Contractor shall process a claim/NOA with multiple dates of service(s) shall be made based upon the last date of service on the claim/NOA as defined in below. Split billing of claims/NOAs by providers shall not be required. At the end of the Assumption period (the completion of the prior contractor's Runout Processing phase), residual inventory, regardless of date of service, shall be transferred from the prior contractor to, and processed by, the Contractor;
- 3) During the Assumption period, the transfer of claims processing responsibilities, for services rendered on or subsequent to the specified period will be handled by the provider submitting the claim to a Contractor post office box. This process will be facilitated by a daily physical transfer of claims/tapes/records between the prior contractor and the Contractor. Part of this process shall include the Contractor

providing the prior contractor with weekly processing information including but not limited to, adjudicated claim history, claim receipts, provider information and updates to the Provider Master File (PMF). After the completion of Runout Processing by the prior contractor, and through the prior contractor's Contract Closeout period, the Contractor will continue to provide claims paid data to the prior contractor for ACSLs with a date of service prior to the first day of claims assumption. The Contractor shall be required to provide adequate staff to sort documents, support and handle such courier/transfer services;

- 4) For a claim/NOA with a single date of service, if the date of service is on or after the first day of claims processing, the Contractor shall process the document, even though the service was authorized by the prior contractor;
- 5) For a claim/NOA with multiple dates of service, if at least one (1) date of service is on or after the first day of claims processing, the Contractor will process the document, even though the services were authorized by the prior contractor;
- 6) Underwriting and payment responsibilities for prior contractor-approved NOAs received by the Contractor on or after the first day of claims processing shall be processed as follows:

- a) In the event that the prior contractor authorizes a NOA, but all services are rendered on or after the first day of claims processing:

Services rendered on or after the first day of claims processing are part of the Contractor's underwriting responsibility. If, after paying for the services, the Contractor believes the prior contractor-authorized services are not covered services of the Medi-Cal Dental Program, the Contractor must contest payment for these services to the Department. If radiographs are required for adjudication, and were submitted with the NOA, they must be included with Contractor's claim. If radiographs were not included with the NOA, but are needed for evaluation with Department prior approval, the Contractor shall pay the NOA and request the radiographs from the provider. If the Department agrees with the Contractor, the Department will cost-reimburse the Contractor for payment of the contested services.

- b) NOAs authorized by the prior contractor, for services rendered prior to, on, or after the first day of claims processing:
 - i. Services rendered prior to the first day of claims processing are part of the prior contractor's underwriting responsibility but shall be paid by the Contractor. After payment the

Contractor shall bill the Department and be reimbursed for the payment (see below for billing requirements); and

- ii. If the Contractor has processed a request for reconsideration of the prior contractor's decision, for these purposes the NOA will be considered authorized by the Contractor and not the prior contractor.
- 7) Underwriting and payment responsibilities for claims which are not NOAs with dates of service prior to, on, or after the first day of claim processing:
- a) Services rendered prior to the first day of claims processing are part of the prior contractor's underwriting responsibility but shall be paid by the Contractor. After payment the Contractor shall bill the Department and be reimbursed for the payment (see below for billing requirements); and
 - b) Payment for services rendered on or after the first day of claims processing are part of the Contractor's underwriting responsibility and are calculated in the Contractor's Pure Premium Rate.
- 8) As part of the payment reimbursement process, the Contractor shall bill the Department weekly on a cost-reimbursement basis. The Contractor shall include as a part of the invoice a report of essential adjudicated claim service line (ACSL) and month of service (MOS) data.
- The report shall:
- a) Be a weekly CP-0-052 report or equivalent;
 - b) Only reflect those services paid which occurred prior to the first day of claims processing and are part of the prior contractor's payment liability;
 - c) Submitted starting with the first payment cycle after assumption of claims processing responsibilities nine (9) months after contract effective date and continue through the end of the prior contractor's Contract Closeout period; and
 - d) Ensure the format for this report be designed and submitted to the Department for review and approval four (4) months after contract effective date;
- 9) All administrative payments to the Contractor for claims/NOAs with dates of service prior to the startup of claims processing shall be made through bid ACSL rates; and

- 10) Starting the first day of the sixteenth (16th) month after contract effective date the Contractor shall process all claims/NOAs regardless of date of service.

1.16.1 DUPLICATE PAYMENT PROCEDURES

The Contractor shall:

- 1) Check for duplication of payment for claims and NOAs, and payment of procedures with service limitations, which were submitted to and processed by both the Contractor and the prior contractor. If the prior contractor has paid for the same procedure with the same date of service or if both the Contractor and the prior contractor have paid for a procedure which has service limitations and fails the history cross check after receipt of processing data from the prior contractor, the Contractor shall recover the money from the provider. This process shall include, but not be limited to, the following consideration:

Weekly manual and automated reviews by the Contractor for potential duplicate payments and identification of procedures which fail the history cross check because of service limitations; initiation of adjustments; and recovery of payments.

- 2) Submit the Duplicate Payment Report format to the Department for review and approval six (6) months after contract effective date;
- 3) Produce a weekly report within the first check write after assumption of claims processing continuing through month sixteen (16) which identifies each duplicate payment; each procedure which fails the history cross check because of service limitations; the action taken by the Contractor to recover the payment(s); and the amount to be recovered from the provider. The report shall at a minimum contain the following elements:
 - a) DCN;
 - b) Provider Name and Number;
 - c) Beneficiary Name;
 - d) Procedure Code;
 - e) Date of Service;
 - f) Date payment made by the prior contractor;
 - g) Date payment made by Contractor;

- h) Amount Paid by each Contractor;
 - i) Amount to be recovered from provider; and
 - j) A remarks area that can be used to indicate the method of recovery etc.
- 4) Design monthly Duplicate Payment Recovery reports to report money recovered previously paid by the Department. The report format shall be submitted to the Department for review and approval six (6) months after contract effective date and contain at a minimum the following elements:
 - a) DCN;
 - b) Provider Name and Number;
 - c) Beneficiary Name;
 - d) Procedure Code;
 - e) Date(s) of Service;
 - f) Date payment made by Contractor;
 - g) Amount Paid;
 - h) Total Amount Recovered and Redeposited; and
 - i) Date of Report

The report shall be produced on a monthly basis after the start up of claims processing and through month sixteen (16).

- 5) Deposit money recovered into the Pure Premium Fund. However, any money recovered for dates of service prior to the first day of claims processing shall be separately reported to the Department monthly and credited against the next cost reimbursement payment request from the Contractor.

1.16.2 PROVIDER CHECK PROCESSING

The Contractor shall accept prior contractor issued checks from providers and establish procedures that incorporate the following considerations:

- 1) The prior contractor-issued checks and associated documentation shall be redirected to the prior contractor;

- 2) Provider-issued checks and associated documentation for services authorized, and paid for, by the prior contractor shall be redirected to the prior contractor;
- 3) Provider-issued checks and associated documentation for services authorized, and paid for, by both the Contractor and the prior contractor shall be accepted and processed by the Contractor according to Department-approved procedures that clearly specify the Contractor's method for reimbursing the prior contractor its portion; and
- 4) Submit the Prior Contractor Check Report format to the Department for review and approval six (6) months after contract effective date. Specific data elements to be included on this report are:
 - a) Check Number (Old and New);
 - b) Check Date (Old and New);
 - c) Contractor Who Paid Original Claim/NOA (service);
 - d) Dollar Amount Paid by Contractor;
 - e) Provider Name;
 - f) Provider Number;
 - g) Provider Address; and
 - h) A Comments section.
- 5) Develop Prior Contractor Check Report, which lists all checks issued to the prior contractor as required in three (3) above, and the amounts paid by the Contractor to the prior contractor during the assumption period. This report shall be submitted to the Department on a monthly basis, after the start of claims processing and continuing through the sixteenth (16th) month of operations and completion of the prior contractor's Contract Closeout period.

1.16.3 ADDITIONAL CONTRACTOR RESPONSIBILITIES

During Assumption the Contractor shall:

- 1) Accept for processing any dental claim forms currently used by the prior contractor;
- 2) Process manual interim payments in accordance with Department direction. If needed, the Contractor shall develop an automated interim payment process in accordance with Department direction. The

automated procedures and Interim Payment Report design shall be completed and submitted to the Department for review and approval five (5) months after contract effective date and ready for Department testing six (6) months after contract effective date. The interim payment process shall be installed by the start-up of claims processing.

- 3) Beginning the first day of assumption of claims processing the Contractor shall produce S/URS reports, and beneficiary history reports (see Exhibit A-Attachment II, Operations, Reference File Subsystem and Surveillance and Utilization section) utilizing history created under the prior contractor's current contract. The Department will transfer, and the Contractor shall accept and install, all S/URS support files and S/URS History Files. The Contractor shall indicate on each history record the data that was created under this contract, rather than that created under the prior contractor's current contract. The remainder of the Contractor's reports shall be produced using only data generated by the Contractor. MARS and other reports begin with the startup of TAR processing and shall be produced using only the Contractor's data.

1.16.4 TRANSFER OF REMAINING CD-MMIS RESPONSIBILITIES

The Contractor shall take over from the prior contractor all other operational activities. Responsibilities to be transferred include, but are not limited to the processing of residual inventories; the physical transfer and receipt of inventory from the prior contractor; maintenance and retrieval of all contract-required records (see Exhibit A-Attachment II, Operations, Records Retention Requirements), claims history and accounts receivables; and the processing of all inquiries, appeals, RTDs, telephone calls, and returned mail. (Hard copy claims documents will only be transferred for unentered claims and those claims where there is no microfilm. The Contractor shall pick these up from the prior contractor.)

These responsibilities shall be transferred for all claim types on the fifth (5th) day the prior contractor's close-out period.

1.17 TAKEOVER COMPLETION

The Takeover Phase shall be considered completed and the Contractor responsibility accomplished upon the conclusion of the following items:

- 1) Complete implementation of all plans required in this section of the contract;
- 2) Contracting Officer's acceptance of all deliverables;

- 3) Correction of all errors/deficiencies identified during Acceptance Testing, and verification of such corrections by the Department;
- 4) Successful operation of the full CD-MMIS for all claim types, TARs and NOAs for six (6) consecutive months, as determined by the Department;
- 5) Receipt of all residual inventory and residual records from the prior contractor and the processing of inventory and storing of records for retrieval; and
- 6) Receipt and installation of all data files produced by the prior contractor during the assumption period.

Exhibit 1-1
Weekly Deliverable Status (WDS) Report

Weekly Deliverable Status Report
By Schedule Due Date

WBS No.	Description	Original Due Date	Date Delivered	Days Late/Early	Date App/Dis	Resubmission Date	Date Resubmitted	Days Early/Late	Date App/Dis	Remarks